CA2 ALZ 3
1965R25

CA2 ALZ 3 ~~1976R25~~
Interim Report of the Alberta Public Exp
enditure and Revenue Study Committ 1
3 3398 00145 9741

PUBLIC EXPENDITURE AND REVENUE STUDY COMMITTEE

INTERIM REPORT

March 1, 1965.

CA2ALZ 3
76R25

LEGISLATURE
LIBRARY
EDMONTON
ALBERTA

CA2ALZ 3 - 66R25

ACCOPRESS
GENUINE PRESSBOARD BINDER
CAT. NO. BF 2507 EMB
ACCO CANADIAN COMPANY LTD.
TORONTO
GOSHEN, N.Y. CHICAGO, LONDON

PUBLIC EXPENDITURE AND REVENUE STUDY COMMITTEE

LEGISLATURE LIBRARY
NOV 17 1975
EDMONTON

INTERIM REPORT

to

PREMIER E.C. MANNING

and the

EXECUTIVE COUNCIL

of the

GOVERNMENT OF ALBERTA

CONSTRUCTION
BRANCH
LIBRARY
NO.

Edmonton, Alberta.
March 1, 1965.

Digitized by the Internet Archive
in 2017 with funding from
Legislative Assembly of Alberta - Alberta Legislature Library

https://archive.org/details/publicexpenditur00albe

PUBLIC EXPENDITURE AND REVENUE STUDY COMMITTEE

MEMBERS

Name	Organization	Capacity
Honourable A. O. Aalborg	Government of Alberta	Chairman
Honourable R. Reierson	Government of Alberta	Deputy Chairman
Honourable H. E. Strom	Government of Alberta	Member
J. M. McKay	Alberta Association of Municipal Districts	Member
C. E. Parry	Associated Hospitals of Alberta	Member
Dr. G. L. Burton	Alberta Federation of Agriculture	Member
F. C. Bodie	Alberta Federation of Labour	Member
H. W. Bliss	Alberta School Trustees' Association	Member
E. Newman	Union of Alberta Municipalities	Member
J. K. McIntosh	Farmers' Union of Alberta	Member
V. M. Dantzer	Alberta Catholic School Trustees' Association	Member
E. L. Moriarty	Alberta Chamber of Commerce	Member

PUBLIC EXPENDITURE AND REVENUE STUDY COMMITTEE

MEMBERS

Name	Organization	Capacity
Honourable A. O. Aalborg	Government of Alberta	Chairman
Honourable R. Reierson	Government of Alberta	Deputy Chairman
Honourable R. E. Strom	Government of Alberta	Member
J. M. McKay	Alberta Association of Municipal Districts	Member
G. E. Perry	Associated Hospitals of Alberta	Member
Dr. O. L. Burton	Alberta Federation of Labour	Member
H. W. Hilps	Alberta School Trustees' Association	Member
E. Newman	Union of Alberta Municipalities	Member
J. K. McIntosh	Farmers' Union of Alberta	Member
V. W. Dantzer	Alberta Catholic School Trustees' Association	Member
E. L. Moriarty	Alberta Chamber of Commerce	Member

PUBLIC EXPENDITURE AND REVENUE STUDY COMMITTEE

INTERIM REPORT

INTRODUCTION

When announcing its plans and programs for the present term of the Legislature the Executive Council of the Government of Alberta included a proposal to undertake a thorough study of public revenues and expenditures at both the provincial and local levels of government. The following policy statement issued by Premier E. C. Manning in November, 1962, outlined the purpose and the nature of the proposed study:

> "Having regard to the public concern engendered by steadily rising public expenditures resulting in an ever-increasing burden of taxation and debt, the government proposes to invite representatives of municipal government, school administration, business, agriculture and labor to join in a factual study of public expenditures and the manner in which they can best be controlled and financed having regard to the legitimate needs and best interests of the people of the province as a whole.
>
> "Without limiting the generality of the foregoing, this study will include:
>
> (a) A survey of current and projected provincial and municipal public expenditures to determine the extent to which they are necessary and justified, having regard to all the factors involved.

(b) An analysis of the various categories of public services and expenditures to determine the ways and means by which they can best be controlled and the order of priority to which they properly should be assigned.

(c) An examination of the incidence of taxation and other revenue sources to determine the most equitable methods of obtaining the revenues required to finance necessary public expenditures.

"Every effort will be made to familiarize the public with the findings of these studies to the end that the people themselves can intelligently appraise the issues involved and give wise direction to their elected representatives charged with the responsibility of implementing the public will."

In making preparations for this study various possibilities were considered. Should the study be conducted by a Royal Commission, by Departmental officials, or by a committee of representatives drawn from major provincial organizations as well as the Government? The last mentioned course was followed. Nine organizations and the Government named twelve representatives to serve on a body to be known as "The Public Expenditure and Revenue Study Committee". On October 31, 1963, the Committee held a preliminary meeting; and, on November 22, 1963, the Committee was officially appointed by Order of the Lieutenant Governor in Council No. 1812/63.

Until his resignation last July the former Provincial Treasurer, the Honourable E. W. Hinman, was the Chairman of the Committee. In August the present Provincial Treasurer, the Honourable A. O. Aalborg, was appointed Chairman, and the Honourable R. Reierson,

Minister of Labour and Telephones, was named a member of the Committee. These changes were authorized by Order of the Lieutenant Governor in Council No. 1362/64. At a meeting held on August 6, 1964, the Committee recorded its appreciation of the excellent contribution which Mr. Hinman had made to the work of the Committee.

In November, 1964, Mr. C. W. Carry resigned as a member of the Committee representing the Alberta Chamber of Commerce and was succeeded by Mr. E. L. Moriarty. This change was authorized by Order of the Lieutenant Governor in Council No. 73/65. Last month the Deputy Chairman of the Committee, the Honourable N. A. Willmore died in a traffic accident. Mr. Willmore took a very active interest in the work of the Committee and gave valuable leadership at all times. His outstanding contribution is deeply appreciated. By Order of the Lieutenant Governor in Council No. 3-2/65 the Honourable R. Reierson was appointed Deputy Chairman, and the Honourable H. E. Strom, Minister of Agriculture, was named a member of the Committee.

To date the Committee has held 26 meetings and will continue to hold two or three full days of meetings each month until the work of the Committee has been completed in early 1966.

The Secretary of the Committee is Mr. R. A. Splane, Administrative Accountant in the Department of the Provincial Treasurer. His address is Room C 402, Terrace Building, Edmonton.

PUBLIC EXPENDITURE AND REVENUE STUDY COMMITTEE

PRELIMINARY STUDIES

At the first three meetings the Committee conducted preliminary studies and made decisions regarding the direction and organization of the work of the Committee which may be summarized as follows:

1. The statement of policy issued by the Government in November 1962 was adopted as the terms of reference.

2. A press committee consisting of Messrs. Newman, Bliss and Parry was appointed.

3. The Public Accounts of the Province for the fiscal year 1962/63 were discussed with Mr. C. K. Huckvale, the Provincial Auditor, to familiarize the members with the various items of expenditure and revenue shown in these accounts.

4. Statistical statements, tables and graphs regarding the operations of the Government for the past five years were discussed with Mr. D. I. Istvanffy, Provincial Statistician.

5. Copies of various Departmental reports and publications were distributed.

6. Proposed criteria for evaluating the efficiency of the operations of Departments were discussed.

7. It was decided to survey the operations of the Departments of Welfare, Highways, Health and Education, the four main "spending" Departments before proceeding to a broader study into the whole field of provincial expenditure and revenue and the matter of provincial-local government fiscal relationships.

PUBLIC EXPENDITURE AND REVENUE STUDY COMMITTEE

DEPARTMENTAL SURVEYS

Department of Public Welfare

Department of Highways

Department of Public Health

PUBLIC EXPENDITURE AND REVENUE STUDY COMMITTEE

DEPARTMENTAL SURVEYS

DEPARTMENT OF PUBLIC WELFARE

TABLE OF CONTENTS

I. PREAMBLE - CHANGING CONCEPTS

A. Society Will No Longer Tolerate Great Need
B. Minimum Level of Living
C. Social Aspects Are Now Important

1. Neglected children are a concern of the state
2. Delinquency in early stages is a welfare problem
3. Family Counselling Service
4. Social problems resulting from retardation and mentally defective cases are a welfare concern
5. Preventive welfare and rehabilitation

II. FINDINGS OF THE COMMITTEE

A. Cost of Welfare Services in Alberta
B. Structure of the Welfare Program
C. Staffing Patterns

1. Growth of Staff
2. Number of Employees
3. Composition of Staff
4. Location of Staff
5. Staff Turnover
6. In-Service Training
7. Delegation of Authority to Regional Offices
8. Procedural and Policy Manual

D. Relationship with Private Welfare Agencies
E. Relationship with Municipal Welfare Agencies
F. Relationship with Federal Welfare Agencies
G. Levels of Assistance
H. Efficiencies and Safeguards
I. Employment and Welfare
J. Preventive Welfare Field
K. Rehabilitative Welfare Work

III. CONCLUSIONS AND RECOMMENDATIONS

A. General Conclusions
B. Recommendations

I. PREAMBLE - CHANGING CONCEPTS

Canada's economy is buoyant; the material well being of its citizens never higher. Albertans, living in a province lavishly endowed with natural resources, enjoy a standard of living well above the national average. But even this affluent society has its human casualties - the old, the blind, the disabled, the widow, the children from broken homes or born out of wedlock, the Metis one jump behind in their race to adapt to a rapidly industrializing society, and the "unemployed employables" who fail to provide for themselves. Our social conscience has decreed that government must provide for these people a "minimum socially acceptable" standard of living.

Canada, of course, is not unique in this respect. Britain enacted the factory laws and established the workhouse nearly a century and a half ago. All of the developed nations of the world make provision for the care of their underprivileged or improvident citizens. Since World War II the "have" nations through the agency of the United Nations have endeavoured to assist the "have nots", or, more realistically, to help them to help themselves.

> "To give a man a fish feeds him for a day. To teach him how to fish feeds him for a lifetime."

President Johnson has dramatized the intention of his administration to make a concerted attack upon the poverty which is to be found in many parts of a nation whose people enjoy the highest average level of living in the world. One of the principal objectives of the Fathers of Confederation was to form a union whose stronger members should aid the weaker. Society is expressing its will, through the agency of government, no longer to tolerate great need be it at the municipal, provincial, national or even the international level.

A. Society Will No Longer Tolerate Great Need

Welfare services in Canada are administered and paid for by all three levels of government. Private agencies supplement government services and support a considerable part of their efforts through voluntary subscriptions from the public. Citizens in Edmonton and Calgary annually contribute more than a million dollars in each city through a United Funds Campaign to support some twenty-five independent welfare agencies. A number of organizations presented briefs to this Committee suggesting ways in which greater value might be derived from welfare dollars spent and indicating areas in which welfare services are inadequate. All of this is evidence of a genuine concern that all citizens should enjoy a minimum level of living regardless of their ability to pay.

B. Minimum Level of Living

We have stressed the change in social values which decrees that none of our citizens shall suffer unduly from lack of the necessities of life. What are these necessities? Food, clothing and shelter are, of course, basic. Health services must be provided since without a tolerable level of health the other amenities of life are much less useful and enjoyable. Educational opportunities are essential, especially for children, if the chain of dependency is to be broken and the next generation is to be able to care for itself. The present welfare program does provide for medical, hospital, dental, optical and chiropractic services when they are required. Other services must be provided for those children and adolescents whose parents are unable to care for them.

C. Social Aspects Are Now Important

1. Neglected children are a concern of the state

A neglected child may be made a ward of the Government, and come under the Child Welfare Branch of the Department of Welfare and a delinquent child may be placed under the jurisdiction of the Juvenile Offenders Branch of the Attorney General's Department. The Child Welfare Act is designed to protect children in a community. For administrative and financial reasons services provided to neglected and delinquent children and their parents would appear to be best served by having the children made wards of one superintendent. At the present time there is an overlapping of services whereby there may be several social workers involved in providing services to a child or family, when from a social as well as a financial standpoint, the needs could best be met by having one social worker providing casework services. A good example of this would be a family in which there are several children apprehended for neglect by the Welfare Department and one child, because of continued neglect over the years, has become a delinquent. This, then, means that there are two government social workers involved with the family, when except for the division of the departments, this could all be carried out by one person. When there are two social workers counselling families, confusion will arise. This necessitates two workers doing what one worker could do.

2. Delinquency in early stages is a welfare problem

Protection services for adolescents who are becoming behavior problem children are essential. Working with delinquents is time consuming and caseloads are often too heavy to provide adequate service to the delinquent. In many cases the neglected child and the delinquent require special services and placement facilities such as a hostel or group type of home. Much more time, thought, and study must be given to the neglected and delinquent child. Again, unless these children can be rehabilitated to a useful life, there is every reason to believe that they will continue to be supported by the taxpayer.

3. Family Counselling Service

There is no doubt that a Family Counselling Service, which could be available for consultation in each of the welfare centres, would help to a marked degree in the prevention and rehabilitation of welfare cases. Family Courts, available to families who find themselves in difficulty either between parents or between parents and children, could through suitable counselling by qualified social workers, alleviate many of the problems facing families today. A high percentage of the break-up of homes are the result of financial problems in the home, which in turn contribute to neglected children and delinquents. A suitable family counselling service, which could advise the family on financial and social problems, might result in the prevention of a great number of potential welfare cases, and if such a service were available it could assist welfare families in getting back on their feet.

4. Social problems resulting from retardation and mentally defective cases are a welfare concern

Retarded and mentally defective children with a borderline I.Q. of 65 - 85 require care which is often beyond the resources of the parents. At the present time some confusion exists as to which department of government is responsible for the welfare of these people. In some cases the Department of Health has the responsibility while in others the Department of Welfare assumes responsibility. On the other hand schools for retarded children come under the jurisdiction of the Department of Education. Greater interest in the retarded and mentally defective child has resulted in better care being afforded to them in the past few years. Educational opportunities are available now that were not available a few years ago. Much research is now being done which will assist considerably to make the lives of these unfortunates more rewarding. It will take the best efforts of the Education, Health, and Welfare Departments to meet the challenge of making these lives more useful.

5. Preventive welfare and rehabilitation

Finally there is the whole area of prevention and rehabilitation of welfare cases. Education is an important tool here but since it is a service which must be made available to everyone it is usually considered separately. Prevention and rehabilitation are two of the most difficult and expensive areas in welfare and yet offer the most promising approaches. In the longer view it is always cheaper to prevent a fire, but if a

fire does occur the structure must be repaired. Our purpose is to discuss these problems in the context of the machinery that has been devised to deal with them rather than to attempt to appraise them in an abstract context. They will, therefore, be dealt with in a later section of this report.

II. FINDINGS OF THE COMMITTEE

A. Cost of Welfare Services in Alberta

While few citizens would challenge the desirability of an adequate welfare program the cost is substantial - approximately ten percent of total provincial expenditures - or 41.8 million dollars out of a total budget of 449.7 million dollars for 1964-65. These expenditures include the federal contribution of 15 million dollars, or thirty-six percent of the total cost of the shared programs, leaving the province with a projected net outlay of 26.8 million dollars.

These outlays do not include federal expenditures for exclusively federal programs such as Old Age Security, Family Allowances, services to veterans and Indians and Unemployment Insurance. Nor do they include net costs to the municipalities or outlays by private welfare agencies.

The trend of expenditures on welfare has been continually upward, in terms of dollars, percent of total budget and on a per capita basis. In 1959 these were respectively 18.2 million dollars, 6.52 percent and $14.75. In 1964 they were 36.3 million dollars, 9.15 percent and $25.27.

The welfare budget in coming years will depend to a great extent on levels of employment and income as well as the size and age distribution of the population. The social acceptability of "being on welfare" will also have a bearing on expenditures but this is more apt to encourage an increase than a decrease. With the high birth rates of the decades of the 1940's and 1950's the average age of the population will diminish. This factor, along with the implementation of the Canada Pension Plan, probably on January 1, 1966, with the first pension payments beginning January 1, 1967, will tend to slow the increase in additional payments to recipients of Old Age Security benefits. It appears from press reports that the $75 Old Age Security Pension will be made available at a reduced scale and progressively to those in the 65 - 69 age bracket. When it is available to 65 year olds, in about 1970, payments under the existing Old Age Assistance Program will be superseded. However, its full effect will not become apparent until the plan has been in operation for ten years and contributors are receiving the full pension rate.

Let us turn now to an examination of the specific welfare programs which are in effect in Alberta and the administrative organization which has been built up to administer these programs.

B. Structure of the Welfare Program

Welfare programs have grown as need became apparent and revenues were made available to meet these needs. As Mr. D. W. Rogers, the Deputy Minister of Welfare, has said in a submission to this Committee:

> "It is quite evident that welfare assistance programs have developed sporadically and under various administrations.

"This shows quickly the dangers of complex administration and overlapping of services resulting in inefficiencies and confusion - both for agencies and clients alike."

We have already referred to the exclusively federal programs of Veterans assistance, Indian services, assistance to immigrants, Family Allowance, Old Age Security and Unemployment Insurance.

The Province administers federal legislation on Old Age Assistance, Blind Pensions and Disability Allowance; the cost of these is shared with the Federal Government. Its own legislation includes Social Allowance (for unemployables), Social Assistance (for unemployed employables), Child welfare with its various categories of neglect, child adoption and service to unwed mothers, along with the residue of four pension programs (Mother's Allowance, Supplementary Allowance, Widow's Pension and Disability Allowance). The cost of all of these is shared with the Federal Government except Mother's Allowance and Supplementary Allowance. Municipal responsibilities include welfare services for resident indigents and child protection. In addition to these voluntary and private agencies offer welfare services.

The Public Welfare Act was amended in 1960 to provide for the Social Allowance Program (effective June 1, 1961). Under this program <u>need</u> rather than <u>means</u> became the principal criterion determining eligibility for and the amount of assistance to be paid.

"Need is established on an individual basis by the 'deficit budget' approach. This involves examining an applicant's income and expenditure and where it can be demonstrated that he does not have sufficient resources to meet his basic needs his income will be augmented to that extent. These basic needs include such items as food, clothing, shelter, personal incidentals, dental, medical and such other items that are recognized as a minimum for

health and decency in the community. A medical card is provided for each recipient of social allowance. Assistance is provided on a cash payment basis, in advance, (now, by voucher only), to the head of the family, except where the family is incapable of handling their own finances when payment might be made through a trustee or by the voucher system."

Under these regulations "the Provincial Government is specifically responsible for those persons who by reason of age, or by reason of physical or mental ill health or physical or mental incapacity are unable to earn an income sufficient to pay for the basic necessities of themselves and their dependants; mothers, having the custody of and personally caring for their dependent children, who are unable to earn an income sufficient to pay for the basic necessities of themselves and their dependants; transient persons and residents of Improvement Districts and Special Areas.

With the proclamation of the new program, the Federal and Provincial Welfare Programs are as shown below:

Federal Program

Old Age Security - a universal benefit of $75.00 a month
for residents of Canada 70 years and over.
Outlay - $58,950,000. Recipients 65,500

Federal-Provincial Programs

Old Age Assistance - shared Federal 50%, Provincial 50%
Age group - 65 to 70
Benefits - maximum of $75.00 and medical card
Budgeted Outlay 1964-65 - $5,808,000. Recipients 6,500

Disabled Persons Allowances - shared Federal 50%, Provincial 50%
Age group - 18 years and older
Benefits - maximum of $75.00 and medical card
Budgeted Outlay 1964-65 - $1,674,000. Recipients 1,800

Blind Persons Allowance - shared Federal 75%, Provincial 25%
Age group - 18 years and older
Benefits - maximum of $75.00 and medical card
Budgeted Outlay 1964-65 - $423,000. Recipients 465

Provincial Programs

Social Assistance[1] - shared Federal 50%, Provincial 50%
For those persons who do not have residence in a municipality who are capable of taking employment
Benefits - based on individual need

1. See footnote on page 17.

Budgeted Outlay 1964-65 - $4,808,000.
Recipients - Family Units 2,600
Single Individuals 1,100
Hostels 800

Social Allowance[1] - shared Federal 50%, Provincial 50%
For those persons who are incapable of maintaining themselves and their dependants by reason of ill health or because they are mothers with dependent children.
Budgeted Outlay 1964-65 - $13,500,000. Recipients 9,400

Widows Pensions - shared Federal 50%, Provincial 50%
Age group - 60 to 65
Benefits - maximum of $65.00 and medical card
(no applications accepted after June 1, 1961)
Budgeted Outlay 1964-65 - $135,000. Recipients 200

Mothers Allowances - unshareable
Mothers are defined until child reaches 17 years
Benefits - scaled from $80.00 to $195.00
(no applications accepted after June 1, 1961)
Budgeted Outlay 1964-65 - $800,000.
Recipients - Mothers 900
Children 1,800

Disabled Persons Pensions - shared Federal 50%, Provincial 50%
Age group - 18 years and older
Benefits - maximum of $65.00 and medical card
(no applications accepted after June 1, 1961)
Budgeted Outlay 1964-65 - $936,000. Recipients 1,200

Supplementary Allowances - unshareable [2]
For recipients of Old Age Security, Old Age Assistance and Blind Pensions.
(no applications accepted after June 1, 1961)
Budgeted Outlay 1964-65 - $3,373,000. Recipients 19,500

1. In effect the federal grant on both social allowance and social assistance is somewhat less than 50 per cent in that the Unemployment Assistance Agreement does have exclusions such as medical, hospital, nursing, dental, optical, drugs, dressings, transportation and funeral expenses. The Department of Public Welfare estimates that the federal share is closer to 40 than to 50 per cent.

2. A recent change in regulations has enabled the Federal Government to share the Supplementary Allowance where a recipient can be shown to be in need under the Budget Analysis established for Social Allowance. The re-imbursement to the Province in 1964-65 will approximate $50,000.

After June 1, 1961, under the new legislation no further applications could be accepted for the latter four programs which were in effect merged into the social allowance program. Though new applications could not be accepted, those who were in receipt of these benefits as of June 1, 1961 were given the choice of transferring to the social allowance program or of continuing to receive assistance under a categorical pension program. The implications of the transfer were fully explained to each client and his/her decision was made on the basis of what form of assistance was most advantageous to the individual recipient.

Municipalities under this new legislation continue to be responsible for those persons who do not come within the provisions of the act and who by reason of their having lived within the municipality for twelve months out of the past twenty-four without having received material aid, are legally their residents. The Provincial Government continues to pay 80% of the costs incurred by the municipalities in caring for these persons."

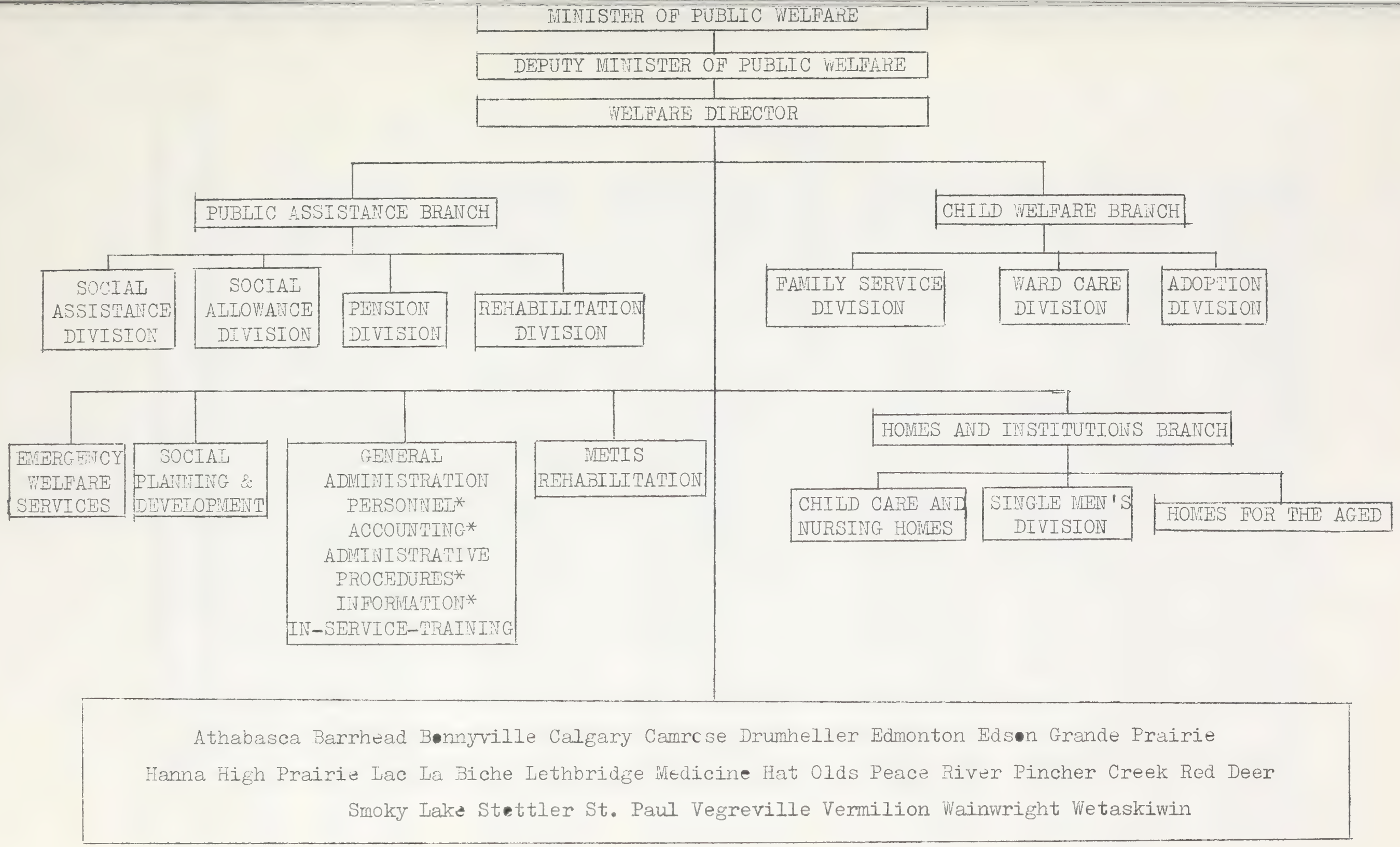
The budgeted outlay by the province for their share in the municipal outlay on social assistance in 1964-65 is $2,750,000. The cost to the municipalities would, therefore, be one quarter, or $687,500. There are about 3,400 recipients of social assistance from the municipalities. Of each dollar spent by the municipalities on social assistance the municipality bears 20 cents, the federal government 50 cents, and the province 30 cents.

An organizational chart of the Department shows how these various programs are administered by the Public Assistance Branch.

The second major branch of the Department is the Child Welfare Branch. A brief recapitulation of the responsibilities of these two branches may be in order:

1. Public Assistance Branch - is divided into four divisions:

   (a) Social Assistance Division - deals with unemployed employables, who have not lived for one consecutive year in any municipality and who are primarily short duration welfare cases.


MINISTER OF PUBLIC WELFARE
DEPUTY MINISTER OF PUBLIC WELFARE
WELFARE DIRECTOR
PUBLIC ASSISTANCE BRANCH
SOCIAL ASSISTANCE DIVISION
SOCIAL ALLOWANCE DIVISION
PENSION DIVISION
REHABILITATION DIVISION
EMERGENCY WELFARE SERVICES
SOCIAL PLANNING & DEVELOPMENT
GENERAL ADMINISTRATION
PERSONNEL*
ACCOUNTING*
ADMINISTRATIVE PROCEDURES*
INFORMATION*
IN-SERVICE-TRAINING
METIS REHABILITATION
CHILD WELFARE BRANCH
FAMILY SERVICE DIVISION
WARD CARE DIVISION
ADOPTION DIVISION
HOMES AND INSTITUTIONS BRANCH
CHILD CARE AND NURSING HOMES
SINGLE MEN'S DIVISION
HOMES FOR THE AGED
Athabasca Barrhead Bonnyville Calgary Camrose Drumheller Edmonton Edson Grande Prairie
Hanna High Prairie Lac La Biche Lethbridge Medicine Hat Olds Peace River Pincher Creek Red Deer
Smoky Lake Stettler St. Paul Vegreville Vermilion Wainwright Wetaskiwin

(b) Social Allowance Division - deals with people who are unemployable by reason of ill health or mothers with dependent children and is shared 50:50 with the Federal Government with the exception of medical, funeral and transportation expenses.

(c) Pensions Division - administers Old Age Assistance, Blind Persons and Disabled Persons Allowances which are Federal-Provincial programs and the old Alberta Categorical Pensions. The latter are: (1) Widow's Pensions, (2) Mother's Allowances, (3) Disabled Persons Pensions and (4) Supplementary Allowances and are provided to those who were in receipt prior to June 1, 1961 and who chose not to transfer to the then new Social Allowance program.

(d) Rehabilitation Division - works with individual disabled persons providing casework services and works in co-operation with the Social Service Department of the University of Alberta Hospital, the National Employment Service and other agencies.

2. Child Welfare Branch

(a) Family Service Division - works with municipalities, clinics, family courts and voluntary agencies to assist troubled children and to strengthen family ties. The object is to keep the family together for the good of the family and to relieve the Province from the far greater cost of foster home or institutional care. Services to unmarried parents are also provided.

(b) Ward Care Division - neglected children are made wards of the Province by action of the courts and by voluntary surrender and indenture. The total number of children in care as of March 31, 1964 stood at 5,379, a net increase of 237 children in one year as compared with an increase of 454 children the previous year.

(c) Adoption Division - operates the only adoption agency in the province and as of March 31, 1964, 1,396 children were in adoption homes and 928 adoptions were completed during the year. The Legal Division is responsible for legalizing adoption through the courts.

So far rehabilitation efforts have been largely confined to the physically handicapped and expenditures have been quite modest. The estimated expenditure for this service in 1964-65 is $129,180. Child

welfare expenditures are expected to total 3.7 million dollars for the current fiscal year.

The Department operates some twenty-five regional offices located in major centres throughout the province. Administration of these offices including salaries and travelling expenses for personnel are budgeted at 1.7 million dollars for 1964-65.

These regional offices throughout the province provide the following services:

1. Payment of Social Allowance to a person who: (a) by reason of age, or by reason of physical or mental ill health or physical or mental incapacity that is likely to continue for more than ninety days, or (b) being a mother having the custody of and personally caring for her dependent child or children, is unable to earn sufficient to pay for the basic necessities of herself and her dependents.

2. Social Assistance for those persons who are not eligible for Social Allowance and who do not have municipal residence, i.e. the employable transient persons and their families who require assistance for a temporary period.

3. Adoption of children.

4. Accept applications for pensions.

5. Placement and supervision services for temporary and permanent wards of the Child Welfare Branch.

6. Counselling services to unmarried mothers and enforcement of the Unmarried Parents Section of the Child Welfare Act. Counselling and rehabilitation services for all public assistance cases are provided insofar as time permits.

7. Rehabilitation services for the physically handicapped.

8. Inspection of child-caring institutions and nursing homes.

9. All welfare services in Local Improvement Districts.

Each local municipality, city, town or village is responsible for the following services:

1. Social Assistance payments to unemployed employables who are indigent and have municipal residence. This entails provision of food, fuel, clothing, shelter and medical care. If they are residents of another municipality in Alberta that municipality is charged for the assistance provided.

2. Child Protection services for neglected children under the age of eighteen years. This service is provided until such time as the parents assume their rightful responsibility or until the child is made a ward of the Child Welfare Branch of the Department of Public Welfare.

3. The larger cities in the Province - Edmonton, Calgary, Lethbridge, Medicine Hat and Red Deer - provide youth counselling and probation services to behaviour problem boys and girls and juvenile delinquents.

4. In larger cities where family courts have been established provision is made for family counselling and family court services, to enable a wife separated from or deserted by her husband to apply to the Family Court to order her husband to support herself and the children. Cases of assault between husband and wife or parent and child are also heard by the Family Court.

The Provincial Department of Public Health provides in the larger cities a Guidance Clinic - a preventive service in mental health - with a view to early detection of emotional and behavioural maladjustments in children and to give proper advice and assistance to parents, teachers and other persons interested in their welfare. The Guidance Clinic is also responsible for providing diagnostic and treatment services for the more seriously emotionally disturbed.

Mentally retarded children who are classified as mental defectives are provided with care and training at the Provincial Training School in Red Deer. The objective of this school is to provide training that will enable as many patients as possible to make the best use of their abilities and return them to their homes. Mentally defective adults requiring long-term care are placed in Deerhome Institution.

An emotionally disturbed treatment centre, known as Linden House, has been established in Red Deer. This is a pilot project for the evaluation and treatment of the emotionally disturbed. Institutional services to emotionally disturbed children and adolescents need to be expanded at Provincial level.

The Unemployment Insurance Commission at Ottawa is responsible for the operation of the unemployment insurance program and the operation of a National Employment Service. Local offices of the National Employment Service are maintained in the major cities in Alberta.

The Department of Veteran's Affairs also maintains services in the larger centres in Alberta. Their services include the War Veterans Allowances, Treatment Services, Disability Pensions, Benevolent Funds, aid to Dependent Parents (parents of servicemen killed overseas), education of children whose fathers were killed or who have died with a disability pension and a rehabilitation program for pension holders.

C. Staffing Patterns

To a large extent, staffing patterns are dictated by the structure of the administrative organization.

1. Growth of Staff

A review of staff growth and its relationship with expenditures of the Department is given below:

Year	No. of Employees as at March 31	Gross Expenditure Year Ended March 31	Gross Expenditure per Employee	Percentage Increase	
				Employees	Expenditures
1959	281	$18,180,376.	$64,698.	57.6	21.6
1960	322	19,539,855.	60,683.	14.6	7.5
1961	345	22,377,464.	64,862.	7.1	14.5
1962	424	25,737,589.	60,701.	18.6	15.0
1963	482	31,785,446.	65,945.	13.7	23.5

Expenditures increased by 74 percent during the four years ended March 31, 1963 while staff increased by 72 per cent during the same period. If we include 1958 these two figures are increased to 113 and 180 per cent respectively.

2. Number of Employees

As at December 31, 1963 there were 512 people employed by the Department. This staff was allocated as follows:

(a)	Welfare Director	2
	i. Emergency Welfare Measures	3
	ii. Homes and Institutions Division	70
	iii. Metis Rehabilitation Branch	16
	iv. Social Planning and Development Branch	2
(b)	Public Assistance Branch	2
	i. Social Assistance Division	3
	ii. Social Allowance Division	8
	iii. Pensions Division	29
	iv. Rehabilitation Division	3
(c)	Child Welfare Branch	2
	i. Family Service Division	7
	ii. Ward Care Division	2
	iii. Adoption Placement Division	13
(d)	General Administration - includes personnel, accounting and other	95
(e)	Regional Offices	262

3. Composition of Staff - March 31, 1963

(a)	Social Workers	
	i. Professionally qualified (university degree from a School of Social Work)	11
	ii. Other	203
(b)	Clerical	245
(c)	Other	23

It is interesting to note that, as at March 31, 1963, some 74 employees of the Department held university degrees and they represented about 15 per cent of the total staff of the Department. However, only 11 social workers out of a total of 214, or about 5 per cent, had received post graduate work in a School of Social Work.

4. Location of Staff - March 31, 1963

(a)	Central Office	188
(b)	Regional Offices	262
(c)	Other - Institutions, etc.	32

5. Staff Turnover

The following table, taken from the Public Service Commissioner's Annual Report shows the staff turnover in the Department for the five years ended December 31, 1962.

Year	Permanent Employees	Temporary Employees	Turnover as a Percentage of Total Staff
1958	26	26	24.4
1959	17	41	23.3
1960	27	58	25.8
1961	49	72	28.7
1962	51	98	35.6

The turnover of temporary employees is exaggerated somewhat by the inclusion of seasonal summer employees. This factor may account for some 10 per cent of the turnover in temporary employees.

6. In-Service Training

The Deputy Minister, Mr. D. W. Rogers, reports on the in-service training program as follows:

"The Program of In-Service Training was started in May 1960. The first year, 1960-61, there were 67 of our staff who received training in this way. The following year, 1961-62, there were 79 persons who received training. In 1962-63 there were 37 staff members and in 1963-64 there were 64 attending the In-Service Training classes."

Two main problems relating to staff were repeatedly drawn to the attention of the Committee during its studies and in the briefs submitted:

(a) Staff Turnover
(b) Staff Requirements and Training

(a) Staff Turnover

The problem of staff turnover would appear to be acute and has caused concern to both Department officials and to people who work with the Department of Welfare. Not only does staff turnover increase the operating costs of the Department because of the necessity of training new personnel, but the constant turnover must also increase costs and decrease efficiency because new personnel must cover ground previously covered by Department employees.

The following reasons for high staff turnover have been given:

i. The marital status of female workers - some single women leave when married and married women because of increased family responsibility.

ii. The shortage of qualified social workers in Canada has made this field very competitive.

iii. The range of salaries paid by government has not proved sufficient to attract and hold the staff required. Two salary adjustments during 1964 have improved this situation.

iv. Social work seems to appeal to the type of person who is anxious to take further education. After a period of service with the Department they leave for this purpose.

v. Centralization may have taken initiative from the individual worker resulting in a lack of job satisfaction.

vi. A heavy caseload may have forced more clerical work on the qualified social worker resulting in lack of opportunity to use professional qualifications.

The problem of staff turnover is of primary concern to the Department as evidenced by the following comment from its Eighteenth Annual Report.

> "Staff turnover has been a constant problem within the Department within the past year and this is particularly serious in the case of social workers who have undergone expensive and time consuming training. There are many known determining factors in this situation, such as marriage, pregnancy and the availability of positions all over Canada for experienced welfare personnel, and it is believed that turnover will remain a continuing difficulty until the field of social work is somewhat more stabilized. Within the coming year, however, the Department proposes to make a study of the problem in an attempt to discover if there are any unknown factors contributing to the situation for which a solution might be found."

In addition, staff turnover creates problems with the people who are in constant touch with the Department as evidenced by the following excerpt from the brief of R.J. Gurnett.

> "Possibly the Department should make a greater effort to employ welfare workers who plan a career in this field. This may involve hiring older personnel and perhaps non-professional staff rather than recent graduates in social work whose recent or impending marriages may soon terminate their career.
>
> A case should be handled, if possible, by one worker. If memory serves correctly at least four different

workers called on us in connection with the same children. Each worker starts afresh in knowledge of the child. This does not appear efficient, although it may be difficult to avoid with a large turnover in staff."

(b) Staff Requirements and Training

Constant reference in briefs to the Committee to the shortage of professional social workers indicates that this problem is one of concern to all persons in Alberta who are interested in welfare. The most universal of all recommendations contained in briefs is that a School of Social Work should be established in Alberta.

The in-service training program carried on by the Department has met with favourable comment. It would appear that this approach is the most practical method of overcoming the lack of trained social workers at the present time. One brief contains the suggestion that the Department should extend this training to the people at the municipal level who have very little opportunity to participate in further training in welfare work.

Preventive welfare work received much attention in the deliberations of the Committee, but the practical means of accomplishing much in this area will be limited by staff available. A common complaint heard was the fact that present welfare workers were so overloaded with actual case problems that very little in the way of preventive work could be accomplished. This again points out the necessity of providing more and better qualified staff.

Pertinent comments contained in briefs submitted to the Committee are as follows:

1. D. K. Wass - City of Edmonton Welfare Department -

"As with most public welfare departments, we face the continual problem of obtaining and retaining competent, trained, and experienced staff. In this area we strongly urge the support of the establishment of a School of Social Work in Alberta. To attract the calibre of staff we need, our salary range for fully qualified people must be made more competitive with other professions. For example, a teacher with roughly the same degree of university training as a social worker is able to obtain far greater remuneration for his services."

2. E. J. Kibblewhite - Welfare Officer, Leduc-Strathcona Health Unit -

"'In-training courses' such as the Welfare Department is now providing are to be commended. So far as possible these should be set up to include municipal welfare officers. Every effort needs to be made to improve and maintain standards among workers. Alberta very much needs a course at University level for social workers. This could be expanded to take care of developments in this field which are sure to take place."

3. Family Service Bureau - Edmonton -

"To keep an accurate picture of cause and effect in order to control welfare expenditures 'having regard to the legitimate needs and best interests of the people of the Province as a whole' requires an adequate complement of skilled and professional staff. That there is need for a much larger proportion of fully qualified professional staff is doubtless recognized by the Department itself and by the Government. The need for the present professional staff with only their Bachelor of Social Work degrees to have the opportunity to complete their professional education should, we believe, be recognized and planned for as early as possible. Nevertheless, we recognize the need of the Department to determine their timing on this in relation to a considerable number of factors within the program. The present concentration on moving established civil service staff into professional education is sound. The Government and the Department would be wise, however, to ultimately extend effort to attract a good complement of senior professional social work personnel with proven experience in

administration of private social agencies. Such personnel are experienced in working in terms of cost factors and continual evaluation of production criteria to a greater degree than are civil servants, and could contribute much of such experience. Also, their professional background would bring a more varied and broader base of professional knowledge and casework competence.

The reported plan for a special social work unit to be concerned with rehabilitation of the economically dependent would appear to be a sound plan. Such a unit, if senior well-qualified professional staff were in a supervisory position, could:

- attract career social workers who are interested in Public Welfare;
- provide a facility for the Government with respect to training of consultant and supervisory staff for the broad welfare field;
- provide a unit for experimental and research work;
- provide a unit that might serve also as an assessment unit, offering some initial screening of assistance cases to determine the most constructive plan for continuing contact by the welfare staff.

It would appear quite certain that until such time as a School of Social Work is established at the University in our Province, there will be no real hope of attracting sufficient professional social workers into the Public Service. With rising welfare costs and increasing social problems, the establishment of a School of Social Work commands a high priority. While this is a program which must be undertaken by the University rather than by the Welfare Department, it is included here because it has such a vital bearing on the staffing of welfare services and the productive use of welfare dollars."

4. Catholic Charities - Archdiocese of Edmonton -

"Reorganizational structure alone is certainly not the only answer insofar as needs are concerned. It is also very necessary to have well-qualified and adequate administrative and supervisory personnel, as well as field staff. We have observed that there is a tremendous staff turnover within the Department and such turnover seriously affects the effectiveness of the agency. At the present

time the agency tends to make people too dependent on welfare; they should be helped to become self-sufficient and productive members of society. We believe that the best program will be of no value whatsoever, unless the executive and implementing staffs are competent and efficient. In order to obtain and train qualified personnel, it is urgently recommended that a School of Social Work be established in Alberta and that intensive in-service training programs be set up within the departmental structure. This, admittedly, will initially involve a substantial outlay, but in the long run it would assure improved continuity in caseload management and a vigorous, dedicated, constructive, and goal-focussed approach to the many social problems we are facing in society."

7. Delegation of Authority to Regional Offices

The Deputy Minister of Welfare, D. W. Rogers, has made the following observations with respect to delegation of authority to regional offices:

"The matter of authority delegated to Regional Offices is more difficult to answer. This was the purpose of writing the manual, since it primarily deals with the role of the social worker in the field. To illustrate a point, however, I might compare the process of approving a foster or adoptive home and the placement of a child.

Very recently the authority to approve foster homes was delegated to Regional Offices, since it was felt that their experience was now sufficient to make this decision. Central Office will continue to receive the home studies and will thereby be able to maintain a purview of the work that is going on. The authority to approve adoptive homes has not yet been delegated, although I believe in due course it will be. At the present time the final approval is given by a small group in Central Office headed by the Placement Supervisor. When it comes to the placement of a child there are good reasons to maintain some central control. The matter of priority of placement can thus be kept uniform. The actual distribution of children can be arranged so that there is the least possible chance of a child being placed in a location where the mother is living. It would eliminate any form of competition among offices or agencies in securing children. While we want to delegate or decentralize our authority as much as possible we must be very careful that we do not come to the position

where the Minister has lost control of public welfare in Alberta. This would almost be the equivalent of Children's Aid Societies or Municipal Governments operating independently within the Province which, as you know, is a situation we believe is not as effective as a provincially operated administration.

Insofar as public assistance is concerned we have already delegated authority to approve Social Assistance payments, but have not yet done the same for Social Allowance. We see no argument in principle why the latter could not be delegated, but since it is a long-term program and the payments made centrally by the Data Centre we do not believe the time is yet opportune to make this change. If and when this is done the Province would still retain its control by the setting of standards and some form of checking Regional Office files."

8. Procedural and Policy Manual

The procedural manual of the Department is very comprehensive and covers in detail most aspects of the work of the Department. The administrative procedures and departmental policies are not particularly segregated, nor is the manual properly indexed. There is evidence that departmental procedures and policies have been carefully considered and meticulously set forth in the manual.

D. Relationship with Private Welfare Agencies

In addition to the interlocking complex of welfare services supplied by the Federal, Provincial and Municipal governments to the needy citizens of this Province, local private groups supply additional services either with or without governmental financial assistance. The complexity of this welfare machinery is illustrated by the list of some 243 welfare agencies enumerated in the Directory of Community Services for Edmonton published by the Edmonton Welfare Council. As might be expected these are most active in the larger centres.

The cities of Edmonton, Calgary, Lethbridge, Red Deer, and Medicine Hat have the following major private facilities:

1. The Family Service Bureau - a service provided to strengthen family life. It offers pre-marital counselling, marital counselling, parent-child relationship counselling, budget planning, home-making services, and participation in community planning.

2. Catholic Child and Family Service Agencies.

3. Alcoholism Foundation Clinics offering education, treatment, research, and prevention of problems of alcoholism.

4. Salvation Army.

5. Various private health organizations for research and treatment of health problems.

6. Community Clothing Banks.

7. Christmas Bureau for planning of Christmas giving to needy families to avoid duplication.

Many churches, private organizations, and societies have a special welfare project to assist family living, such as lodges, service clubs, and boys' and girls' organizations.

Private child-caring institutions are in the large cities such as Edmonton and Calgary.

The larger cities of Alberta are much better serviced than the rural areas in respect to both public and private facilities. In the central area of the Province there are no child-caring institutions, other than the Provincial Training School and Linden House. No provision is made in the central area of the Province for the proper detention of juvenile delinquents who may require this service prior to their appearance in the Juvenile Court.

The Provincial Department of Welfare has advised the Committee that it has a direct working relationship with some three dozen agencies in the Province (not including municipal public welfare services). Over and above this, the indirect and incidental relationship of the Department with other services appears to be quite extensive.

The Department believes that, generally speaking, its relationship with other agencies is good throughout the Province and that communication is effective.

> The Salvation Army says, "We are happy to place on record the fine working relationship between the Department of Public Welfare and the offices of the Salvation Army serving in this province."

Generally the other briefs received confirm a similarly good working relationship with the Department of Public Welfare.

On the other hand, all the briefs, as might be expected, were quite candid in pointing out to the Committee those areas where they felt that a greater degree of co-operation and liaison between the Department of Welfare and other agencies could result in a greater degree of efficiency and success in attaining welfare objectives.

The types of activity undertaken by the various welfare agencies throughout the Province encompass the whole field of welfare in one form or another.

For example, in a brief presented by Mr. D. K. Wass, Superintendent of the City of Edmonton Welfare Department, it was pointed out that a wide range of services was provided which included social assistance, child protection, supervision of temporary wards,

juvenile probation and family court counselling. This Welfare Department also operates two institutions - a reception centre for neglected children and a detention home for juvenile delinquents.

Mr. Kibblewhite, the Welfare Officer for the Leduc-Strathcona Health Unit, felt that from the standpoint of a municipal welfare officer in a rural area, the liaison between the Department of Welfare workers and municipal workers could be improved since he felt there was a tendency to lose touch with cases taken over by the Welfare Department. He was quick to point out that a close relationship between the local community and those helped in that community should be maintained.

The Edmonton Family Service Bureau indicated that co-operative planning was necessary in the welfare field and in their brief made the following comment:

> "Welfare's complexity which is often deplored, stems from the concern for our fellow man being a basic concern of many individuals, of government and of religious groups. While we may deplore this complexity we cannot afford to lose the concern and knowledge of all these groups. Private voluntary agencies can provide citizen participation and concern about broad welfare problems and their effect and possible solutions, that is basically vital to sound welfare development and public understanding in support of such development. It is our belief therefore that not only is co-operation in individual situations necessary for the welfare of the family, but co-operative planning regarding broad welfare problems is also essential."

This view was generally reflected in the statements of all the briefs presented to the Committee including the Catholic Charities of Edmonton which said as follows:

> "The Department of Public Welfare cannot be 'all things for all people' and closer co-ordination and more effective liaison with voluntary and private social agencies should be undertaken

with the view of lending not only moral but financial support to such essential services. No public agency because of the complexity of its operation is in a position to render services to all areas of need (financial, emotional, spiritual, etc.). Public and private agencies must work together to improve the standards of quality and practice."

Several of the briefs made specific reference to certain areas in which they felt the Government should support private agencies by giving financial support to certain fields in which they were specialists. The Edmonton Family Service Bureau points out that their facilities for unwed mothers have been successfully upgraded in the last few years. Their agency has participated and shared their specialized knowledge in their work with unwed mothers. It was their feeling that intensive therapy counselling should be available to every girl who can accept and benefit from such counselling. The Edmonton Family Service Bureau has a specialized group counselling therapy program for unwed mothers who come to the Family Service Bureau for help. It has been suggested that the Government might give consideration to the purchase of this counselling service from private agencies whenever appropriate. It was their feeling that a development of group counselling therapy programs could be achieved more economically if the development of such service was done within such groups as the Family Service Bureau by means of a government grant.

The Homemaker Service operated by the Edmonton Family Service Bureau has provided a useful service to the Welfare Department in social allowance cases. Cost of service when paid for by the recipient may save the Government money. They feel that the need to purchase this

type of service will continue to expand. Their agency would be able to meet the expanding welfare requirements if some grant structure were established by the Government to enable the voluntary agency to expand the service. They felt that this would be more economical than instituting a similar government service since once the service is established by the Government, it necessarily must be available to all on an equal basis. It was felt by this organization that money could be saved for the Government by the use of co-operative private projects to examine problem areas and techniques for dealing with them.

Catholic Charities of Edmonton in their brief also felt that one method for cutting costs in the welfare program would be to provide private agencies with grants in order to enable them to carry on work for which they are most suited. This brief suggested that a sum of money be set aside to enable voluntary agencies in the Province wishing to initiate adoption programs to hire professional social workers. It was their contention that adoption might be one area where the specialized knowledge of the agencies could be used to advantage in the solving of one of the major problems in the welfare picture.

It would seem clear from the evidence presented to the Committee, both from private agencies and from government sources, that in the field of Public Welfare, the political principle of subsidiarity is applicable. The large number of voluntary welfare agencies operating in this Province bear mute testimony to the fact that the Alberta Government has followed this principle and has succeeded in maintaining the interest of private welfare agencies by delegating a great deal of work to them.

Generally, responsibility for direct financial assistance has been assumed by governments at various levels as a result of legislative programs. As governments have assumed responsibility in this basic field, the work of private welfare agencies has been changed and altered considerably. Most private agencies now specialize and provide individual or group services ranging from counselling to providing preventive services. The role of government and private agencies in the field of welfare appears to be constantly changing and cannot be defined on the basis of universally applicable principles.

There are those who believe that private agencies in certain specialized fields can operate more effectively and at greater savings than can a government department. Even where government departments operate effectively, private agencies may be of considerable use in completing the government's program. As government services expand, voluntary agencies should identify and strengthen those areas where welfare services remain weak. The traditional role of private agencies in this field is as initiators, demonstrators and efficient providers of needed services.

As suggested by several of the briefs, it appears likely that a saving in welfare costs to the Government could be obtained by increasing government purchases of personal services from the agencies. A government has the right to provide its services directly or through voluntary agencies. It appears that the latter method has been successfully used in Europe and in the United States where many voluntary agencies receive public funds for providing personal services to welfare

recipients. Perhaps the Government might purchase these services where the voluntary organizations are able to provide the type of program required.

Safeguards could be established for such a program and the Government could take the following points into consideration before purchasing services:

1. The ability of the voluntary agency to carry the services as economically and efficiently as the Government.

2. The readiness of Government to delegate responsibilities to voluntary agencies and provide advice, standards and regulations.

3. The readiness of the agency to write reports, permit scrutiny of records, and review of reports by government officials.

4. The nature of the service under consideration, e.g. adoption and family counselling.

The price of these services purchased by Government from voluntary agencies should be set at the actual cost of the service or at the cost of a comparable service provided by Government, whichever is the lesser. When the Government enters into such an arrangement, contracts should be specific and standards and eligibility requirements should be clearly set out.

There is no doubt that voluntary and private welfare agencies possess invaluable assets of accumulated social experience which must be conserved and used for the best interests of the community. Certainly it is only by encouraging private agencies that the Government can obtain the assistance of many public minded citizens who are anxious to help out in welfare programs. A tremendous rise in welfare costs in this Province makes it imperative that voluntary organizations be preserved and maintained.

E. Relationship with Municipal Welfare Agencies

The municipalities are responsible for those of their residents who require assistance and who are employable. They are also responsible for neglected children until such time as these children may be committed by a court to the wardship of the Province. The cities maintain well organized welfare offices competing for staff with the Province.

In the towns, counties, and rural municipalities the duties of the welfare officer usually fall to the municipal secretary or a senior citizen retired and unpaid for his services. In a brief submitted to this Committee the Provincial Department offered this comment:

> "Frequently these appointees are unfamiliar with legislation, extremely judgemental, and without the time or skill to devote to rehabilitation measures. Considerable misunderstanding occurs in rural areas as punitive measures appear self-evidently correct and apprehension of children by reason of poverty (and/or neglect) may occur to 'unload' problems and welfare costs to the senior government."

The defenders of local administration would be quick to point out that professional provincial welfare workers are not sufficiently hard-boiled. Certainly a transient who has spent the day in the local beer parlour can demonstrate his need for a bed and breakfast. Whether he is entitled to such consideration is another matter.

We have noted that the Province reimburses the municipal governments for 80 per cent of the latter's outlay for welfare purposes which in the current fiscal year is budgeted at about 3.4 million dollars. The municipal share of something less than 3/4 million dollars is not onerous. In many of the rural municipalities in the more prosperous parts of the Province welfare costs are relatively insignificant -

e.g. in M. D. Willow Creek #26 the outlay for welfare is only slightly in excess of $2,000 annually and of this amount the Province pays 80 per cent.

The Provincial Department does not exercise control over the municipalities either as to the minimum level of living of those to whom assistance is given or as to rates of assistance. These latter do, therefore, vary from town to town and from district to district. The Department does not possess the facilities to police municipal welfare services even if it wished to do so.

How effective is this division of responsibility between the Province and the municipalities?

The suggestion has been made that the Province should assume the whole of this cost and administer all social assistance from the regional offices. The decision as to whether any particular case is a responsibility of the Province or the municipality hinges upon two criteria - residence and employability. In many instances the decision is apparently difficult. The assumption of responsibility by the Province would relieve the administrators of this responsibility and is, therefore, attractive. It has been suggested that the Province care for all casualties and that the municipalities concern themselves with rehabilitation and prevention. The wall between the responsibility of the Province and municipalities has already been breached in that the regional welfare offices are now helping welfare applicants who have been refused help by the municipalities.

There are several arguments in favour of the present division of responsibility. Unfortunately they apply mainly to rural municipalities:

1. Indigent families frequently require immediate help - the town or municipal secretary acting as welfare officer is more readily accessible than the provincial regional welfare office.

2. The development of an impersonal, well oiled welfare machine may diminish the deterrent effect on potential welfare seekers which stems from members of his local council knowing that he is on welfare.

3. If the municipality is sharing the cost of social assistance it has some incentive to find work for employables.

It is difficult however to weigh these arguments fairly. The top administrative personnel in Central Office as well as the director of at least one regional office are in favour of the Province assuming the whole of the cost and responsibility of social assistance. The director of the regional office concedes that someone in the municipality would still have to assume responsibility for emergency cases. They would arrange for credit at a grocery store and a regional officer would interview the applicant the following day.

One of the most cogent arguments for the retention of municipal responsibility for social assistance, even in the cities where there is a duplication of physical facilities and personnel, is the maintenance of local responsibility. In this era of centralization and "big government" when a great deal of the administrative as well as financial responsibility for such local matters as health and education have already been transferred to Edmonton we feel that it is difficult to place a monetary value upon this intangible asset. We are, therefore,

in favor of retaining the urban municipal welfare offices even though some savings might be achieved by their amalgamation with the provincial regional offices.

In most rural municipalities and towns the secretary doubles as welfare officer. An interesting development has occurred in two instances where the municipalities included in a health unit have employed a full-time welfare officer. These have been the health units of Leduc-Strathcona and Barons-Eureka. The latter unit comprises the two municipalities of Taber #14 and Lethbridge #25. The rural population, including hamlets, is about 15,500 and that of the four towns of Coaldale, Picture Butte, Barons, and Nobleford some 4,200 for a total population of roughly 20,000. The Provincial Government pays 60 per cent of the cost and the municipalities 40 per cent on the basis of 35 cents per head of population.

The Barons-Eureka area includes a considerable acreage devoted to specialty crops such as canning crops, potatoes, and sugar beets. Farmers require a relatively large number of labourers to tend these crops, but for short periods. This adds to the numbers of families seeking social assistance during the winter - approximately one hundred. The chronic cases are taken over by the provincial regional office under the social allowance program and they tend to become semi-permanent welfare recipients. The transfer cases have amounted to as many as one hundred per year although this includes some backlog picked up after the institution of the Social Allowance Program in 1961.

The social welfare worker in this area admits that he is only skimming the surface - particularly as far as rehabilitation and prevention are concerned. He has been concerning himself with social assistance, child welfare, family welfare, juvenile probation, family court, mental health, and rehabilitation. He has found the Canadian Vocational Training School most useful. This school for unemployed persons operates during the winter months under the auspices of the provincial Departments of Education and Labour. The objective is to give unemployed persons enough secondary education to enable them to take advantage of a trade training and then provide instruction in that trade.

The welfare officer in Barons-Eureka is not prepared to concede that the provincial regional office should take over social assistance from the rural municipalities. He is of the opinion that a specialized welfare officer working in a health unit can do a good job and that with this set-up the local council gains an understanding of the welfare problem. While the scale of assistance in the municipalities is left to the local council the scale tends to be roughly comparable to that provided by the Province.

There seems to be general agreement that the municipalities are too zealous in "apprehending" neglected children in order to escape financial responsibility for them as they do once these children are made wards of the Government. The welfare worker feels that such children are better off in their own homes than in foster homes if conditions in the former are at all tolerable.

It seems likely that a saving could be effected by combining the municipal welfare office in the larger centres with the provincial regional office. Such an amalgamation would eliminate some duplication of physical facilities and make better use of personnel. It would also serve to integrate welfare services. We have already indicated that the existence of two welfare agencies with shared responsibility for neglected children may prejudice the interests of the child. Even within the provincial organization it will likely prove desirable to integrate the Child Welfare Branch more closely with the Public Assistance Branch. Children are a part of family units and can best be helped in that context by one branch rather than two.

The practice of appointing a welfare officer for a health unit appears to be a satisfactory method of handling welfare in the rural municipalities and counties. We expect to see more of these appointed, but suggest that the initiative should be left to local governments since they are in a better position to assess their needs.

The decision as to whether municipal welfare offices in the cities should be combined with provincial regional offices appears to hinge on an evaluation of the monetary savings and logical integration of welfare services as against the merits of local autonomy. It is impossible to place a dollar and cents value on this intangible advantage. It is undeniable that the trend in recent years has been toward a centralization of welfare services under provincial administration.

As we have noted, municipal responsibility for any particular welfare cases hinges upon the twin criteria of residence and employ-

ability. Neither lends itself to precise and unequivocal definition and much time, effort, and frustration result from the attempt. The Committee was unanimous in its agreement that these two criteria should be abolished. If this were done the municipalities would presumably accept all legitimate applications for social assistance regardless of residence or employability of the applicant.

The Committee found evidence that the working relationships among provincial, municipal, and private welfare agencies and workers were extremely good. Although there is sometimes disagreement as to jurisdiction at the case level, which is not at all surprising, a spirit of co-operation and mutual respect prevails among those responsible for administration.

F. Relationship with Federal Welfare Agencies

We have noted that the costs of all of the provincial welfare programs, with the exception of Mother's Allowances, Supplementary Allowances, and Child Welfare are shared by the Federal Government. No new applications under any of these categories, along with the old provincial Widow's Pensions and Disabled Persons Pensions has been accepted since the inception of the Social Allowance Program in June of 1961. Provision for citizens who would have fallen in any of these four groups is now afforded by Social Allowance and, in practice, somewhat less than one-half the cost is borne by the Federal Government.

The cost of the above four programs diminishes each year since the recipients either move into another category such as Old Age Assistance or Old Age Security, their children grow up, or the recipient

is deceased. Time is tidying up these duplications in the administrative machinery.

There is a trend in the welfare pattern right across Canada to shift from the fixed categorical pension, which rather tends to fit the recipient like Procrustes' bed, to the Social Allowance Program which adjusts the welfare payment to the particular recipient's need. Permissive legislation was passed at the last session of the Alberta Legislature to abandon the three Federal-Provincial Programs of Old Age Assistance, Disables Persons Allowance and Blind Persons Allowance in favor of accepting new applicants under the Social Allowance Program.

No Supplementary Allowance is paid under these three programs and it is felt that it would be fairer, simpler, and more economical to handle them as a part of Social Allowance. An effort is being made to secure an agreement with the Federal Government to permit this change. Apparently a majority of the provinces are in favor of this revision.

The present recipients of pensions under these three programs would likely be given the option of continuing or of accepting Social Allowance as was done in 1961. Although those who stood to gain would undoubtedly stick with the present arrangement, time again would tidy up this complication. It appears likely that eventually the welfare program will be simplified to the point where we will have only a Contributory Pension Plan at the national level, a Social Allowance Program at the provincial and a Social Assistance Program at the municipal level. This would greatly simplify administrative machinery and prove a solace to those of us with tidy minds.

G. Levels of Assistance

The Provincial Department has managed to translate that euphemistic phrase "a minimum socially acceptable standard of living" into dollars and cents to cover basic human needs for food, clothing, shelter, and medical services. Guides have been established based upon the research of the Home Economists Division of the Provincial Department of Agriculture. Food and clothing allowances vary by age, sex and size of family with additions for special circumstances. These are set forth in Appendix A of the Department Manual and are not, incidentally, easy to find since this adequate but ponderous document lacks both an index and consecutive page numbering.

These schedules are intended to be used as a guide but are the maximum amounts available. They represent an average of prices in urban super markets and country general stores. The same rates are used for both social allowance and social assistance. However, since the latter is deemed to be of short duration, only emergent need for clothing, drugs, and dental care is provided for while in the former a regular allowance, proven costs, and medical card are provided.

Allowances for shelter are based upon average rentals prevailing in the district and the size of the family. Mortgage payments, taxes, and fire insurance may be paid on a monthly basis in lieu of rent, provided the aggregate of these does not exceed the average rent.

Regular allowances are provided for fuel while special authorizations are obtainable for optical services, transportation, burial expenses, and small incidental items.

An effort is made to relate the level of assistance provided to the environment in which the welfare recipient is living. A rural family has a different level of need from one living in a city and is, or should be, able to provide for itself garden produce, milk, meat, and eggs. Whether the head of the family will strive to help himself when government stands ready to relieve him of this responsibility depends largely on the individual. In some areas assistance to rural families has been limited to food and then held down to as low as 25% of the maxima permitted.

A family living in "the west end" is not required to move to a slum area in order to receive emergent assistance. In granting assistance for a short period some consideration is given to the established economic level to which a family is accustomed.

We have pointed out previously that municipalities need not conform to these provincial standards in granting assistance.

Whether or not these allowances are "adequate" involves an element of subjective judgment. There is good reason to keep them at minimum but adequate levels. Undoubtedly there are many families and individuals who are self-supporting and yet who live on a lower standard than those dependent upon welfare. This is demoralizing to those who strive to provide for themselves and offers an incentive to many to join the ranks of welfare recipients. It is essential to keep this gap as narrow as possible. If the head of a family finds that he can obtain as much through welfare as he can earn he may be sorely tempted to abandon his search for employment.

At the present time any earnings which a family receiving social allowance may make is deducted from their welfare payment. This practice is consistent with "the budget approach" of determining the recipient's need. However, it does not encourage the family to put forth their best effort again to become self-supporting.

We suggest that ways be sought to permit social allowance recipients to retain a part at least of their own earnings by not having their welfare payments reduced by the full amount of such earnings. It may be possible to do this on a sliding scale - e.g. reducing payments by, say, 75 cents on the first dollar earned and 25 cents on the hundredth dollar. The objective would be, of course, to encourage the family to earn as much as possible.

We recognize that there are difficulties involved in this departure. Those families whose earnings are less than their neighbors' combined earnings and welfare payments may, with some justification, ask for welfare. Should this demand be granted the end result may be a government guaranteed minimum level of income for all citizens. This end it is not our purpose to promote. What we seek is a means to encourage welfare families to expand their earnings progressively until they are again able to care for themselves.

H. Efficiencies and Safeguards

The Department's procedures have been formalized and clearly defined. They are set forth in detail in the Departmental Policy Manual in connection with each welfare program. Applicants must complete a declaration, stating the need for assistance and giving the Department

authority to contact all and any source of income or reserve funds. Where insurance is involved statements are obtained from the insurance company involved.

Unemployed applicants are required to register with the National Employment Service and the Department states that close contact is maintained with the employment situation. Claims based upon inability to work for medical reasons must be supported by a written statement from a doctor. Other sources of assistance are also reviewed including family resources, D.V.A., Veteran's Welfare Benefits, clothing banks, and assistance from other private agencies.

In rural areas applicants are usually familiar to the social worker who is aware of their background and habits.

When a married woman applies for emergent help the husband is contacted before a second issue is made - usually at the same time as a home visit is made. The first issue of assistance is granted at the discretion of the Regional Office. The application, together with the social history of the applicant, are forwarded to Central Office. Each application is reviewed by the program supervisor and checked for cross references - e.g. a woman may have previously received help as an unmarried woman, married, and later became divorced and now be living in a common-law relationship.

The need of the applicant is assessed, the amount of assistance determined, and the Regional Office advised. The record is then processed by the Accounts Branch.

The municipalities recover 80% of the outlays which they have made by submitting a monthly statement to Central Office. This procedure causes some concern to the Department since they lack "facilities for the back checking on assistance given in the municipalities". It also causes concern to the municipalities. Mr. D. K. Wass, Superintendent of the City of Edmonton Welfare Department offered this comment in his brief to the Committee:

> "In 1963 we recovered from the Provincial Government approximately $650,000. Many of these items are small accounts, drug prescriptions, emergency issues of food, etc. An outdated accounting system requires verification by receipt from the client of every claim we make to the Province. As we issue assistance by cheque the insistence on individual receipts requires a great volume of paper work in our office.
>
> We have made several requests for simplification of this procedure to no avail. We have suggested an affidavit to cover our claim plus audit procedures satisfactory to the Province but this voluminous paper work is still required. The Glassco Commission pointedly referred to this type of elaborate, costly control procedures.
>
> By agreement between the Provincial Department and our Department, we supervise temporary wards where the parents live in Edmonton and we have worked with the family previously on a protection basis. This presently involves approximately 250 children. The Province reimburses our expenditures for board, clothes, etc., on behalf of these children. This presently involves a detailed monthly billing of all expenditures running to several pages.
>
> A much simpler procedure would be the establishment of the average daily cost of maintaining a child in care, and simply billing for the number of days' care provided each month. The rate could be reviewed from time to time based on actual expenditures."

It would appear that the Department is well organized and that formal safeguards have been taken to check proposed payments carefully before they are made by means of cross checking, systematic contact

with clients, and use of the budget control sheet. However, the machine is no better than its operator. The level of efficiency must, in the end, depend upon the competence of the welfare worker. Lack of qualified staff and heavy caseloads make it extremely difficult to provide an efficient and effective program.

The present Social Allowance Program does make it possible for some recipients to abuse this program. For example, wives who are separated from their husbands and who are in receipt of Social Allowance may establish a "common-law" relationship with another man and abuse this basically good program. It is often difficult to determine if a woman is actually living common-law with another man, not her husband, and this creates a problem to administrators of this program. There is no policy at the present time to recover an overpayment of Social Allowance.

Untrained and inexperienced workers who provide public assistance often make recipients feel guilty about receiving assistance rather than providing casework and supportive help.

It is important that adoption workers be skilled and well trained in this field. Many prospective adoptive parents lose faith in an inexperienced worker who is arranging the adoption. Often inexperienced workers have prejudices that prevent proper adoptive planning rather than facilitating a decision being based on experience, training, and proper evaluation.

The small municipalities appoint welfare workers who are already saddled with other responsibilities and usually these officers

have neither the training, the time, nor the interest to provide any service except that of meeting a crisis situation. This is not often handled in an effective manner and a social assistance grant is dependent on whether the worker likes the person involved. Children are sometimes apprehended, become a ward of the Province, and are warped by frequent foster home moves, when preventive counselling services to parents might keep the children in their own home. We underline the word "might" as it appears to be a very difficult thing to prove.

There is particularly a need for close relationship between the Department of Public Health, the Department of Public Welfare, and local Welfare Departments. The Health Unit staffs throughout the Province are often the first to become aware of home problems and the need for services.

The efficient conduct of the welfare program is vitally dependent upon the availability of trained and competent staff.

We are of the opinion that it is not necessary to recruit large numbers of welfare workers with advanced formal training in sociology and welfare work. In any event such people are not available in large numbers. Much of the welfare program can be effectively carried out by staff who are genuinely interested in people and their problems and have that rather rare type of personality which enables them to be sympathetic and helpful and yet firm in their dealings with welfare clients. It has been suggested that the necessary type of training might be provided in the new Vocational Schools, in the Junior Colleges, and at University level.

I. Employment and Welfare

A number of briefs were presented to the Committee that dealt with the matter of employment and welfare. Mr. E. J. Kibblewhite, Welfare Officer, Leduc-Strathcona Health Unit, had this to say in his brief:

> "It is suggested that the present policy of not requiring work for money, goods, and services provided through welfare should be carefully re-examined. The principle of 'work for pay' is a sound one. Are we not tending to build up an expectation that the States must hand out all we need with no contribution expected in return? Labour for pay is personally satisfying as well, or should be."

The Salvation Army brief had this to say about employment and welfare:

> "Whilst appreciating the human understanding which motivates the working of the Department, concern is felt that social assistance should not reach a level where the incentive to work is taken away. Many men accept a lower standard of living than they need. They can sleep in the Provincial Hostel or the Salvation Army Hostel and receive two hot meals daily, then go to another religious group for further meals, receive clothing from such organizations as the Salvation Army, play games in a Day Centre, and instead of this being a temporary easement of a situation, it tends to become a permanent way of living, and such clients seem loath to seek work. It must be said, however, that there are men who constantly seek casual labour at our Centres, such as snow clearing, putting on storm windows, cutting grass, etc., and these pay their way weekly. However, there are those who spurn casual labour, saying, 'Why should I? I am on Provincial.' Unfortunately, many of these men 'drink' their cheque on the first day or so and then come to us for the rest of the month for food and shelter. We feel it is demoralizing to be permanently unemployed, and thought should be given to provide employment for such men, even though this be uneconomical. We are not advocating working for welfare, and are readily aware of the problems of working on a minimum wage, but we do query whether a person is deterred from accepting casual labour or short term jobs because of being assured of receiving regular assistance under this program. It should be pointed out that when men are assured of an income without the necessity of working, time lies heavily on their hands, and this is one of the major causes of crime and delinquency."

A brief, entitled "Work for Relief" by Brian Iverson of the Canadian Welfare Council, had this to say:

> "Calling for a return to the woodpile is no longer an acceptable answer. Nor does it make economic sense. The myth that many public assistance recipients are lazy or shiftless has long since been exposed both by our wartime experience (when even grandfathers and grandmothers worked) and more recently by studies and demonstration projects in the United States and Canada. But we do know that people who possess only limited skills today require special assistance if they are going to fulfill a productive economic role in our technological world, if, in short, they are to find jobs. And above all else, jobs must be available.
>
> But surely, it might be argued, putting the employable unemployed to work is better than permitting them to sit idly at home - if unemployed men do in fact sit idly at home. Few people would disagree that, for anyone, productive activity is better than idleness and worry, for the psychological effect of prolonged unemployment is very bad. But it is most important that we distinguish between forced labour and genuine jobs.
>
> A further area of confusion arises in considering the value of active work to the individual. It is often stated by those advocating 'work for relief' programs that if applicants for public assistance can be assigned to relief projects they will be enabled to maintain skills and habits of work, and that this will facilitate their re-entry into the regular labour force. While there is some evidence to suggest that this commendable objective has been reached in a few American projects, the weight of the evidence establishes that it is more difficult to achieve than might be supposed, primarily because of the type of work project usually chosen. And here a disturbing paradox emerges. If socially useful projects can be found for a 'work for relief' scheme, they inevitably reduce the number of jobs otherwise available under regular public works programs.
>
> There is, of course, a place for work activity in a rehabilitation or retraining program. But in such cases the objective is to enhance the employability of the individual so that he can obtain and hold gainful employment in the normal labour market, not to exact the pound of flesh.
>
> Of one thing we can be certain. With the Canadian unemployment rate ranging from four to ten per cent of the labour force, the day has passed when the individual can be expected to 'make it on his own'. Our basic educational systems, as well as job training facilities are not yet geared to present-day require-

ments. Massive retraining programs may be necessary if the full potential of Canada's present labour force is to be realized. To assign all those who are now unemployed to 'work for relief' programs would be to sweep the problem under the corner of a rug. We might not see it so readily, but it would still be there."

The Department of Public Welfare in a brief submitted to the Committee pointed out that the problem is essentially not enough jobs available of a type which many welfare recipients can satisfactorily fill.

"The average welfare recipient must be recognized as a 'displaced' person - displaced by our changing social economy - i.e. pre-fabricated construction, machines, automation. At the present time there is no work available for the labourer of 40 to 60 years of age. Even younger men who are unskilled frequently cannot be employed. At present approximately seven per cent of the total labour force in Canada is unemployed. The big majority of these persons are unskilled workers. In spite of an unprecedented building boom in Alberta, the majority of unemployed workers came from construction labouring.

Within the total there are a few chronically unemployed persons. Because of repeated failures, these men, for psychological reasons, are unemployable - they compulsively re-enact their failure in order to blame society instead of themselves. The long term skilled help of a social worker is the main alternative for this individual."

The Committee is of the opinion that it is no longer possible to organize specific work projects for welfare recipients. This may have had merit during the depression when work simply was not available. Under these conditions "leaf raking" may have been better than nothing. "Make Work Projects" simply aren't good enough today. The objective should be rather to fit these people back into the stream of employment where they perform useful services and receive the market rate of pay. In short the emphasis should be on rehabilitation of welfare recipients rather than on insisting that they work at something whether or not such work is productive.

J. Preventive Welfare Field

We regard this aspect of the welfare program as one of the most difficult. We cannot ignore it because of the promise which it holds both in restoring the well being of troubled citizens before they appear on the welfare rolls and, in the longer run, of staunching the flow of welfare dollars.

The real problem lies in detecting the marginal family and offering help before a crisis occurs. In this sense it is to be distinguished from rehabilitation which can only be attempted after a breakdown. In an able brief presented to this Committee by the Department of Public Welfare it is argued that prevention is a community responsibility and cannot be implanted from the outside - i.e. it must originate within the community consciousness and must have regard to the total cross section of community life and its economic, health, educational, religious, and social aspects. It is suggested that the role of government must be to offer encouragement and guidance to the community to enable it to mobilize its energy and resources for self-betterment - in short, for community organization.

The following guide lines have been suggested as an approach to this problem:

1. The establishment of a community screening and referral centre which would keep a registry of public and voluntary resources and try to co-ordinate activities so as to avoid needless duplication.

2. Establishment of a local group to stimulate work programs to supplement income of marginal families.

3. Organization of a group to stimulate housing and re-housing programs for marginal families.

4. The development of recreational facilities for all ages and categories of people, recognizing the need for education in the use of increasing leisure time.

5. The development of counselling services re:

   (a) Marital problems and family planning
   (b) Child behavior problems
   (c) Alcoholism
   (d) Legal problems
   (e) Budgeting and credit buying
   (f) Educational problems
   (g) Intelligent re-location of families
   (h) Unwed mothers

6. The organization of day-care centres for children of working mothers and homemaker services for temporarily incapacitated parents.

7. The promotion of research on use of community funds and resources, and in forecasting changing conditions requiring the development of new resources.

The Committee is under no illusions about the difficulties of mobilizing local resources to help marginal families to help themselves. The greater contribution in this field has been provided by the private agencies who have the qualified personnel, the time, and the will to help.

It is suggested that a greater emphasis should be placed on prevention within the framework of the existing welfare structure.

1. More time should be devoted to children in foster homes by their welfare worker and in finding better foster homes which will make possible fewer transfers of children from home to home. It would also be desirable to move children more quickly from institutions to foster homes.

2. The better welfare workers should be assigned to the care of children who are government wards and who are available for adoption. Many social workers are not qualified by training or temperament to deal with the difficult problems of child placement.

3. At the local level more emphasis needs to be placed upon keeping children in their own homes and helping parents to care for these children rather than having them made wards of the government.

4. Better counselling service to the unmarried mother and her family, if possible, offers hope of reducing the large number of girls who are repeaters. Some 40 per cent of the illigitimate births are given by mothers who have had a previous illigitimate child.

5. In granting assistance to families under the public assistance programs, greater emphasis should be placed on an assessment of the people involved - what is their total situation and to what extent can they exploit their own resources in order to help themselves? Once assistance is granted a greater continuing effort with the recipient should be offered with the goal of getting him back on a self-sustaining basis. This appears to be one of the greatest lacks of our present welfare program at both the local and provincial level.

A Social Planning and Development Branch has been set up within the Department and one position filled. The intent was to define the area of prevention, establish the Department's responsibility and assess the resources available to meet this need. A planning committee including all the branch heads from Central Office has been formed and visits made to a considerable number of local communities throughout the Province. These visits establish -

> "that communities are generally full of resources to treat much of their own ills but that there is little or no general organization or planning in their activity".

It is apparent that community development offers a convenient approach to preventive welfare. Community development has been placed under a cabinet committee and may finally be placed in the Department of Industry and Development. Its inclusion in the Department of Welfare might hamper its work by tarnishing its public image.

The Social Planning Division of the Department -

"is involved in a group fostering the need for more public information in planned parenthood. Our caseloads are filled with unwanted children born without any public conscience into poverty and ignorance and, apart from the human suffering, burdening the economy in ever increasing numbers".

K. Rehabilitative Welfare Work

The budgeted outlay for 1964-65 for rehabilitation is about $130,000 apart from Metis rehabilitation. Reimbursements, largely from the Federal Government amount to about $44,440.

The rehabilitation program is largely confined to the vocational rehabilitation of unemployed handicapped persons suffering from physical or mental deficiencies. Four workshops are maintained in Edmonton, Calgary, Lethbridge and Medicine Hat.

The most promising area for the extension of rehabilitation services would appear to be in directing public assistance clients who could benefit therefrom into retraining programs.

II. CONCLUSIONS AND RECOMMENDATIONS

A. General Conclusions

The Committee was impressed on the one hand by the complexity of the problem of meeting adequately the welfare needs of our citizens and, on the other, by the competence and dedication of the civil servants and private citizens who are endeavouring to satisfy these needs. We offer the following comments and recommendations.

The structure of "the welfare machine" is almost as complex as the problems with which it is striving to cope. Three levels of government are involved - each sharing in the costs and in administration -

and private agencies are supplementing government services in those areas in which interested citizens feel that governmental services are inadequate or that they themselves can best make a contribution.

The maze of government programs at the provincial level is gradually being simplified and consolidated. The old categorical pensions for widows, mothers and disabled persons, along with Supplementary Allowances, for all of which no new applications were accepted after the implementation of the Social Allowance Program in June of 1961 will gradually disappear. Those clients who elected not to transfer to the newer program will be removed from the rolls as they become eligible for Old Age Security or are deceased. As Supplementary Allowances are replaced by Social Allowances the Federal Government will share half the cost.

We note with approval the efforts being presently made by the Department to bring the three shared programs of Old Age Assistance, Disabled Persons Allowance and Blind Persons Allowance under the Social Allowance Program. These are now pensions, paying $75 monthly. Allowances based upon need seem more equitable, simpler to administer and, we think, will prove no more costly. This change is contingent upon approval by the Federal Government but such approval seems likely to be given as a number of provinces are, we understand, in favor of such a change.

B. Recommendations

1. The Committee is in agreement that the two conditions of residence and employability should be removed from the granting

of social assistance. Both of these criteria are, in many instances, incapable of easy interpretation and lead to confusion and uncertainty. With their removal the municipalities would handle a higher proportion of the grants under Social Assistance. However, since the Province is already reimbursing the municipalities for 80 per cent of the cost of this program and would continue to do so, the additional burden to the municipalities should not prove onerous. The effect of the removal of these qualifications for Social Assistance would leave this program almost entirely in the hands of the municipalities. The Provincial Government would continue to operate hostels for transient unemployed in Calgary and Edmonton.

The implementation of these changes would eventually result in three major welfare programs for Alberta:

1. The Federal Old Age Security Program to be replaced, probably after January 1, 1966, by the Canada Pension Plan

2. The Provincial Social Allowance Program

3. The Municipal Social Assistance Program

Such a simplification would, we think, make for an overall program which would be easier to administer and to understand. However, while the Committee is agreed upon the need for simplification of the Social Assistance Program, it wishes to reserve judgment upon whether it should be transferred to the municipalities until it has had an opportunity to survey the whole field of provincial - municipal responsibility.

2. We have been concerned with duplication between the welfare facilities operated by the Province and those operated by the larger cities. The Province maintains regional offices in these centres and the municipality a welfare office. The question immediately presents itself as to whether savings could not be achieved by combining the two offices under one roof.

We think that this is quite possible. The relevant consideration is as to whether such savings would be worthwhile. Since the Province handles child welfare and adoption, social allowance and the pension programs, and since these services could not be administered as efficiently by the municipalities, the provincial offices must be retained. Since many citizens do not favor the trend toward centralization of power and responsibility in the hands of the Provincial Government we do not recommend abolition of the municipal welfare offices in the larger centres.

3. In the rural municipalities we believe the practice which has been initiated in Leduc-Strathcona and Barons-Eureka Health Units of appointing a welfare officer is working well. The Health Unit staff is able to refer cases to the welfare officer and the two units work together as a team. We think this development might well serve other areas and that other rural municipalities should be encouraged to follow suit, if and when such a step seems appropriate.

4. We recommend that consideration be given to simplifying and lessening the paper work which is presently entailed in checking

municipal claims for recovery of Social Assistance from the Province. It would appear that the precautions now being taken to verify claims are costing more than is being saved. The Organizations and Methods Branch, in co-operation with the Provincial Auditor, should seek to devise a more efficient means of effecting these payments.

5. From a submission made to us it would appear that a child may be either a ward of the Superintendent of Child Welfare or of the Superintendent of the Juvenile Offenders Branch of the Attorney General's Department depending upon whether his case is classified as one of neglect or, by court action, of delinquency. The child may pass from one jurisdiction to the other and possible back again, and, in each case, be handled by a different welfare worker. We recommend that this situation be investigated to determine whether the supervision of delinquent children should be vested solely in the hands of the Superintendent of Child Welfare as is the practice in the provinces of British Columbia and Saskatchewan.

6. From the reports and submissions which we have received it is apparent that some private welfare agencies are performing a valuable service. Some of them have qualified workers in specialized fields on their full time staff. We believe that the Government might make fuller use of services provided by accredited Family Service Bureaus on a fee basis.

Government agencies experience difficulty in securing sufficient experienced personnel to provide these services and there

are distinct advantages in permitting the recipient to pay for at least a part of the cost of such services when he is able to do so. The purchase of Homemaker Service to care for the elderly in their own homes is a good example.

The private agencies may prove best equipped to mobilize the resources of the community to prevent marginal families slipping into the need for welfare. We have no illusions about the difficulties of preventive welfare and of rehabilitation but believe that the concept of community development offers the best approach. Some help from the Government may also prove essential to stimulate organization and action. In the shorter run we suggest that the Department should be prepared to accept their share of the costs for some retraining or education for selected recipients of Social Assistance. Such payments may represent a sound investment if they promote the regaining of the family's financial independence.

7. The need for more qualified staff is evident. Consideration should be given to the desirability of establishing a course in social work at the University or Junior College level, or even in the Vocational Schools. If instruction were offered in the latter it should be of a practical or applied type. A start has already been made at Mount Royal College in Calgary.

The present shortage of social workers will not be remedied for some time. Training facilities alone are not enough - incentive is essential. We suggest that a study be undertaken to compare the earnings of social workers with the earnings of those

in comparable professions. We believe that further increases in the salary schedules of social workers would increase the supply of them available.

8. One of the more effective means of increasing the number of social workers available is to extend the in-service training program conducted by the Department of Welfare. This program is to be commended - our only criticism is that it is too restricted. Such courses should be made available to the employees of other welfare agencies within the Province as well as to departmental employees.

Because of the shortage of qualified social workers every effort should be made to use the specialized capability and training of those available in actual social work.

9. We have noted that an elderly couple may receive up to $90 each monthly ($75 Old Age Security plus $15 Supplementary Allowance) and, if living in a Senior Citizens Home, be paying $60 each. This latter charge of $60 is not sufficient to meet the total cost in a Senior Citizens Home, including overhead and increasing maintenance as these facilities age. It would appear that it may be possible to increase the charge levied by these homes without imposing a hardship upon welfare recipients who are using them.

10. It has been represented to us that the institutional services provided for emotionally disturbed children and adolescents are inadequate and should be expanded. However, in checking with the Department we find that some expansion is already planned by the

Department of Public Welfare. There is a waiting list for admittance to the Provincial Training School at Red Deer. The charge here is only $15 per month. We suggest that this be increased and capital accumulated to expand this type of facility.

11. We suggest that means be sought to encourage families receiving Social Allowance to increase their own earnings. The most obvious way of doing this is not to reduce their welfare cheque dollar for dollar with their earnings. Perhaps a sliding scale of payment deductions could be worked out which would give welfare families an incentive progressively again to become self-supporting.

12. The Committee was shocked by the large number of illegitimate births in the Province and, particularly, by the number born to teenage unmarried mothers and to "repeaters". The Committee deplores the social and moral conditions which lead to the birth of these illegitimate children and believes that means should be sought to reduce their numbers.

There is some evidence that lack of birth control information aggravates welfare problems and inevitably increases welfare costs. We recommend, therefore, that such information should be made readily available to all who wish to make use of it.

13. The Committee has refrained from making any recommendations regarding child adoption since a special committee is to be appointed to deal with this contentious issue. We await their report with interest.

Generally the Committee is in favor of less restrictive adoption procedures. There is evidence that the qualifications for adoption are too rigid in Alberta. Such a cautious policy may appear commendable at first glance; its ultimate effect may be to deprive some children of an opportunity to become well adjusted and useful citizens.

14. While we have not made a detailed study of the incidence of welfare payments in rural areas we believe that these tend to be concentrated in certain areas where the farm units are uneconomic owing to the lack of capital available to the farmer, be it poor soil, rough topography, forest cover or lack of working capital for machinery, livestock or improvements. We suggest that a rural development approach under such a program as ARDA might lead to a significant improvement in the earning capacity of rural families in such sub-marginal areas and thereby reduce welfare payments.

Finally, it is apparent that welfare expenditures will probably double during the next decade. This underlines the continuing need for greater revenues to meet these expanding expenditures.

PUBLIC EXPENDITURE AND REVENUE STUDY COMMITTEE

DEPARTMENTAL SURVEYS

DEPARTMENT OF HIGHWAYS

TABLE OF CONTENTS

I. PREAMBLE - MODERN CONCEPTS

A. Network of Access Roads
B. Advanced Standards
C. Typical Modern Highway Services
D. Road Grants to Local Governments

II. FINDINGS OF THE COMMITTEE

A. Departmental Organization
B. Systems and Methods
C. Past Expenditure
D. Projected Expenditure

III. CONCLUSIONS AND RECOMMENDATIONS

A. General Conclusions
B. Recommendations

I. PREAMBLE - MODERN CONCEPTS

A. Network of Access Roads

During the latter years of the 1940's Alberta experienced growing pains, as did the rest of this country through the post-war boom years. Up to this time, Alberta's rural residents were willing to fall back on the team and wagon during the spring break-up and during rainy weather when country roads were impassable to motor vehicles. However, with the tremendous economic expansion of those years, the horse and buggy fast became a legend and roads became a necessity. As is true in other fields of social capital financing, government, and in this case, the provincial Department of Highways was called on to fill this exigency.

The development of Alberta's natural resources, led by the discovery of oil, accentuated the need for more and better roads, as did the development of the highway motor transport industry. It became evident that some of the assets derived from the development of the Province's natural resources must be used to acquire a new asset - a network of main highways and access roads including inter area and market roads, elaborate urban systems, roads to resources, and tourist roads.

In 1946, Alberta's main and secondary highways totalled 4,560 miles. Included in this total was a mere 530 miles of light standard pavement with the widest boasting a twenty-two foot surface width. During the fiscal year ended March 31, 1947 the Province spent just over 4 million dollars on highway construction. By comparison, as at

March 31, 1964 the main and secondary highway system totalled 6,520 miles, of which 4,088 miles were paved. Total construction costs during the 1963 - 64 fiscal year amounted to more than 31½ million dollars. Although costs have increased in almost every area since the war, it is interesting to note that the cost of moving earth for road construction has decreased with the advent of modern earth moving equipment that will carry up to 44 yards per load at speeds up to 30 miles per hour.

B. Advanced Standards

The advancement in standards from narrow two lane highways to modern structures such as the four lane divided freeway type with a total paved surface of 80 feet in width has been even more significant than the increase in mileage over this period. More important, too, than those developments which meet the eye, are the increases in standards needed to accommodate greater traffic weights brought about through modern transportation developments. It has been proven that width as well as depth of road-bed must be considered in providing a high capacity highway where the traffic volume is great.

A comparison in terms of cost per mile of highways built in 1947 with those built in 1964 is startling. In 1947 the best road built cost approximately $25,000 per mile while one section of the new four-lane divided highway between Edmonton and Calgary cost as much as $400,000 per mile. Alberta's vehicle registration has increased from 157,000 in 1947 to over half a million at present, and is increasing at a rate of 5 per cent per year.

Historically roads were probably built according to the adage "the squeaking wheel gets the grease". Hence, governments tended to use highway development as an instrument of political policy. Today, economic need, rather than a political climate, must be considered the primary factor in determining priorities. Many factors enter into the determination of the location of a highway and the standards to which it should be built. We will refer to the methods used to resolve these factors further on in the report.

Inevitably, it seems, as technological advances are made, certain dangers arise in the resulting modern designs which require regulation and control. Thus speed and safety factors have become a major concern and a noteworthy inherent cost in the design and maintenance of highways.

C. Typical Modern Highway Services

Along with new concepts in modern highway design, new types of highway services have evolved to facilitate the safe movement of traffic on our highways. Included in these services are:

1. Roadside and ribbon development controls which limit access and exit points along multi-lane highways. (Highway commercial developments are limited to service stations, resaurants, and motels.)

2. Service roads constructed to serve commercial developments.

3. Law enforcement and traffic control.

4. Special maintenance features such as snow ploughing, sanding and salting, lane marking, and the placement of standard highway signs.

5. Highway campsites.

D. Road Grants to Local Governments

The Department of Highways provides assistance to local governments for the construction and maintenance of district highways and local roads. These grants are made under three categories, namely, regular road grants, special contingency grants, and natural resource road grants.

Regular road grants are paid to all municipal districts, counties, and improvement districts. These grants are calculated according to a formula which takes into consideration the population, equalized assessment, terrain, and the use of roads measured by the number of cars in the municipality, and are based on 75% of approved cost.

Special contingency grants totalling about 3 million dollars each year are made to municipalities for the construction of roads which either carry a majority of traffic originating outside the municipality, or which are exceptionally difficult to build, or where assessment adjacent to the road is not sufficient to raise revenue for capital construction. These grants are on a 100% of cost basis, except where paving is done and then it is on a 75% provincial and 25% municipal basis.

Since 1959 an amount of $500,000 has been voted annually for the construction of natural resource roads. These roads are also built on a 75% provincial and 25% municipal basis. In order to qualify as a natural resource road 60% of the traffic on the road must be transport traffic related to the development of such natural resources as timber, gravel, or oil.

Grants are also made for the construction of main highways through smaller urban centres. These grants are based on a 50% - 90% contribution by the Province. In the case of the large urban centres, grants are made on a basis of 50% of the approved cost for the construction of structures required generally for through traffic.

II. FINDINGS OF THE COMMITTEE

The Committee wishes to record its gratitude to the staff of the Department of Highways for the help afforded and the information provided during the survey.

The Committee received submissions from the Alberta Road Builders Association, the Alberta Motor Transport Association, and the Canadian Association of Equipment Distributors. The opinions and the expert advice submitted by these groups were most useful to the members.

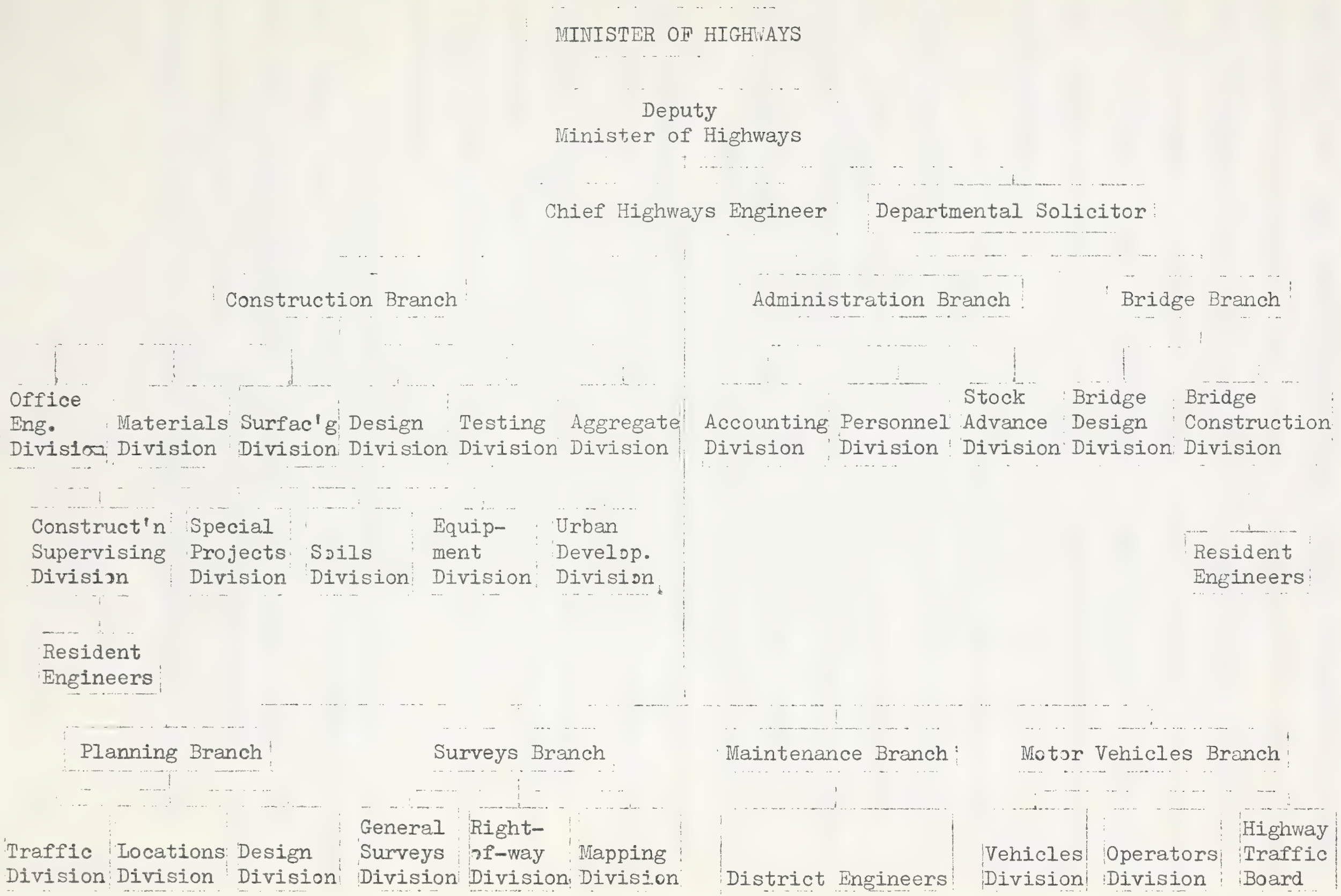
A. Departmental Organization

The organizational chart of the Department of Highways denotes by branch the major functions for which the Department is responsible. The Department is accountable for the location, construction and maintenance of the provincial highway system which is composed of main and secondary highways that have been declared such by the Government.

The Construction Branch with its many divisions is responsible for the building or reconstruction of provincial main and secondary highways.

The Administration Branch maintains the accounting records for the Department and manages personnel records for 950 salaried

Table 1. Department of Highways Organizational Chart



permanent employees, 860 full-time wage employees and 1,300 part-time wage employees. The Administration Branch is also responsible for the operation of the Highways Stock Advance. The stock advance is used to purchase equipment and supplies needed by the Department. These in turn are rented or charged out to the various divisions of the Department.

The role of the Bridge Branch is that of designing and building all bridges outside the cities and maintaining bridges on main and secondary highways.

The Planning Branch is a relatively new branch established to recommend highway routes, prepare new projects well in advance of the starting date, complete an inventory of the present system, and co-ordinate recommendations from the Construction, Maintenance, Bridge, and Surveys Branches in connection with future highway routes.

The duties of the Surveys Branch are generally outlined in the Province's Surveys and Expropriation Act. Crews from the branch are employed on highway surveys, geodetic surveys in unsubdivided areas, and other surveys as requested. The Surveys Branch is required to prepare and preserve various maps, road plans, and subdivision plans. A growing responsibility of this branch is the purchasing of highway right-of-way.

The Maintenance Branch is occupied with the repair of highway and right-of-way surfaces, snow removal, sanding, line painting, lighting, and signs on main and secondary highways. Other duties include the construction and maintenance of roads in Improvement Districts, the operation of ferries, and the construction and upkeep of roadside

campsites. Highway maintenance costs vary according to weather conditions, but inevitably mount with the increase in miles of highway and special services. For sake of comparison, the average cost of maintenance per mile was $259 in 1947 while in 1964 it amounted to $958 per mile.

Most of the Highways Department revenue is collected by the Motor Vehicles Branch. This branch is divided into three main sections. The Vehicles Division issues motor vehicle licenses and permits, and controls public service vehicle insurance. The issuance of operators licenses, the driver testing program, the motor vehicles claims fund, and the registration of liens on motor vehicles are all administered by the Operators' Division. The Highway Traffic Board is concerned with the inspection of school buses, regulation of public service and commercial vehicles, control of inter-provincial trucking, and the issuance of overload and over-dimensional permits.

B. Systems and Methods

During our investigation this Committee examined and asked for explanations concerning the systems and methods used by the Department in determining highway needs, and in meeting those needs. Department administrators pointed out that there are a considerable number of highway construction projects which could, in the interest of the public, be undertaken immediately. However, the annual budget has dictated that only a certain number of projects can be undertaken each year. The policy has been to "cut the pattern to the cloth", and traditionally one more, or one less highway project has been undertaken according to the estimated revenue for that particular construction

year. The decision then becomes one of priorities - what road should be built first?

At present, determinations commence with the Planning Branch analyzing traffic count data and studying origin and destination information. This material along with maintenance cost figures will give some indication as to which roads must be upgraded, paved, rebuilt or widened as the case may be. The determination as to whether a new road is needed may be more straight forward where new settlements are opened up or natural resources discovered.

Keeping in mind that Alberta has the highest truck traffic per capita of any province, the weight-carrying capacity of the highway must be decided as this will determine the kind and amount of material that will be used to construct the road. A majority of Alberta highways are now posted with a 72,000 pound gross vehicle weight restriction. Load limits are controlled by gross weight and by axle weight restrictions. Some roads are still built to a 56,000 pound capacity, but all sub-grade is of sufficient standard that a 72,000 pound capacity can be reached by increasing the thickness of the surface basecourse and the pavement or a combination of both. A few of the older roads in the provincial system are still held at a 45,000 pound restriction. An instrument known as the Benkleman beam is used to measure the deflection of a road surface. Deflection charts can thus be prepared for a given road or section of a road. This instrument is used extensively in the spring, and when road deflection becomes critical, a road ban is imposed.

Mr. R. H. Cronkhite, Chief Construction Engineer for the Department of Highways, explained to the Committee that highway strength standards are directly related to the bearing capacity of the sub-grade soils. Since Alberta has the greatest soil variation east of the Rockies, it has been necessary for the Department to map the Province according to construction soil types. The road-bed should be of a soil that can be compacted to a high density and one that is resistant to moisture penetration.

Where gravel is readily available, it is used as the base-course for a pavement application. However, where gravel is not plentiful, a soil-cement base is prepared by adding 5 to 7 per cent cement to the local sand or gravel that is available. The Department has a testing laboratory in which samples of the road-bed basecourse, and pavement materials are tested for strength and durability. Mobile testing labs are employed at the construction site to ensure that standards agreed to by contract are met. Through the use of aerial survey maps, gravel prospecting crews are able to locate systematically gravel deposits in a minimum of time and arrange purchase or lease of these beds for future construction needs.

Along with the aforementioned considerations of the present traffic volume, the carrying capacity required, and the availability of materials, still other factors such as alignment, user-benefits, future traffic volume, and bridge requirements must be judged before the right-of-way is purchased and a contract let.

The policy of the Department is to construct main routes that extend as directly as possible between two points, by-passing areas of dense population. By-passes are determined on the basis of the percentage of through traffic as opposed to stopping traffic. Standards are improving with regard to curvature and grading, with flat, wide curves proving superior to elevated curves which are designed for a certain speed.

Origin and destination studies are undertaken to determine the traffic patterns of highway patrons, and by-passes are designed on the basis of these studies. A reduction in the mileage of a highway route is a real benefit to the motorist. The Whitecourt - Valleyview cut-off which reduces the mileage from Edmonton to the Peace River area is a prime example of this.

The volume of traffic which a highway must carry ten or twenty years hence should be estimated to determine the width of right-of-way which shall be purchased to allow for widening of the highway at a future date. A traffic volume of over 4,200 cars per day calls for the construction of a four-lane highway. The purchasing of right-of-way is a matter of growing importance with the rapid increase in land prices especially adjacent to urban areas where land is required for elaborate interchanges. The Department employs five right-of-way buyers who negotiate for right-of-way on the basis of present market values.

The Bridge Branch designs all bridges for the Province and about 10% of the bridge jobs are handled by department crews. Engineering research has completely changed the bridge picture over the past ten years.

Since the development of precast concrete bridges and their introduction to the market in 1951, bridge maintenance and replacement has been substantially reduced. Research on large spans has led to designs which cost about one-half as much as those built ten years ago. Culverts, which are much less expensive than bridges, now represent more than 50% of the structures placed each year.

In 1951 the Province established a policy of constructing bridges from four to six miles apart rather than at each road allowance. Since then the Bridge Branch has been building bridges at the rate of 400 per year. It is now estimated that bridges must be built at the rate of about 200 per year to keep abreast of current needs. However, this estimate only holds true if present highway alignment and bridge capacity are adequate for the life span of the bridge (up to fifty years). Major bridge requirements include the replacement of the twenty-four ferries now operating in the Province. The Chief Bridge Engineer estimates that these ferries can be replaced by constructing seventeen bridges.

The construction of overpasses is also a responsibility of the Bridge Branch. These structures range in cost upward from $150,000. The federal government participates on a cost sharing basis in the construction of overpasses at railway crossings. However, the applications are time consuming, and the Province must meet with rigid requirements. In order to qualify, the overpass must do away with a level crossing that has been in use for some time or considerably reduce traffic at a crossing adjacent to the overpass. When a new

highway route is established, it is difficult to obtain assistance. The federal assistance is substantial when received, being available on an 80% basis to a maximum of $500,000 per structure.

During the planning stages of a highway, the Minister of Highways conducts meetings in the areas to carry, in his words, "the judgment of the people" before the final steps of designing, purchasing right-of-way, and contract letting are taken.

During the study, Committee members witnessed a tender opening at which rigid requirements and keen competition were in evidence. The Department requires a 10% bid bond with all tenders, a 100% performance bond with a liability insurance coverage of $500,000 per accident, and a 10% maintenance bond on paving and basecourse work. As many as 18 contractors bid on medium and smaller contracts, and there are seldom less than five companies competing for the larger projects. Department officials expressed satisfaction over the present atmosphere of competition.

The Department has undertaken about 7% of the construction with its own crews. Of the amount done by the Department between 6 and 7% is done with rented equipment. Highway crews do little heavy construction now. Rather, they specialize in work that is difficult to tender such as guard rail construction, seeding of grade slopes, and the application of pavement seal coating.

In addition to what are considered normal highway construction costs, Alberta has climatic and geographic difficulties which must be considered of major concern. We have already indicated that soil

variation is a real problem. Muskeg terrain presents considerable difficulty in constructing a road, and extreme temperature changes raise havoc with roads already built, especially where moisture has penetrated the road-bed. Moisture penetration is overcome by elevating the grade, using all natural drainage facilities, and by paving shoulders. The latter was discovered through a research project in which the Department participated. Other benefits from research were noted during the investigation. The Department should be commended for its foresight in entering into joint research projects which have resulted in savings to this Province.

Although it is not the purpose of this Committee to outline the complete operation of any department, it is hoped that the foregoing summary delineates the systems and methods used by the Department to accomplish its function under present policies.

C. Past Expenditures

A study of the actual expenditure by the Department of Highways during the past six years reveals a record expenditure of almost 72 million dollars for the 1960 - 61 year with a cut-back to about 62½ million dollars in 1963 - 64. The classified statement of expenditure outlined in Table 2 indicates rising costs in administration and maintenance with main highway and bridge construction varying according to budget allotment and the suitability of the construction season.

While the trend in welfare expenditure has been continually upward in terms of dollars, per cent of total, and on a per capita

Table 2. Department of Highways

Classified Statement of Expenditure
For the Year Ended March 31

	1959	1960	1961	1962	1963	1964
Administration	$ 1,585,143	$ 1,748,053	$ 1,901,240	$ 1,859,746	$ 2,210,556	$ 2,141,992
Ferries	365,768	326,704	378,869	341,527	392,355	298,413
Main Hi'ways -						
Maintenance	5,367,448	5,269,747	5,961,125	5,961,150	6,097,667	6,245,024
Constr'n	33,968,288	33,994,078	39,228,882	35,292,397	31,076,437	32,266,895
Bridges -						
Maintenance	2,752,748	2,826,620	3,319,300	4,089,866	3,366,693	3,180,844
Constr'n	6,273,308	7,124,432	6,746,587	6,250,767	4,525,615	4,826,418
Grants - Maintenance & Constr'n	9,264,805	11,953,245	13,250,602	13,324,531	12,232,879	12,432,757
Winter Works Programme	408,536	821,713	1,188,252	858,685	1,114,301	1,433,127
	$59,986,044	$64,064,592	$71,974,857	$67,978,669	$61,016,503	$62,825,450

basis, the reverse has been true with Highways. As mentioned, in 1960-61 highways expenditure was almost 72 million dollars, amounting to 21.15% of total expenditure and $54.82 per capita whereas in 1963-64 the total was 62.8 million dollars being 15.86% of the budget and $43.78 per capita.

D. Projected Expenditure

By reason of past experience department officials are reluctant to project highways expenditure. The consensus of opinion seems to be that, if capital expenditure for main highway construction were increased by 30%, the Department could move its program ahead and not run out of projects for many years. Main highway maintenance, which for the past few years has captured 10% of the highways allotment of over 60 million dollars, is as unpredictable as Alberta's weather. Heavy snow falls and prolonged icing conditions during the winter, combined with rapid spring thaws, can increase the maintenance budget by 10 or 20%. Apart from these variable factors, maintenance costs must rise as more miles of road are added to the highways system. Some of these additions such as the new McMurray road are quite extensive and will be added to maintenance in the next year or so.

The Department of Highways is convinced that the paving of gravelled roads reduces maintenance costs. A comparison of maintenance costs between paved roads and gravelled roads on comparable sections of highway, as shown in Table 3, indicates that during 1963 maintenance costs were from $200 to $1,500 per mile higher on gravel highways than on those that were paved. It is therefore assumed that when gravelled roads are paved, maintenance costs are reduced.

TABLE 3. STATEMENT OF TYPICAL MAINTENANCE COSTS[1] FOR THE 1963-64 FISCAL YEAR

COMPARISON OF PAVED HIGHWAY SECTIONS TO SIMILAR GRAVELLED SECTIONS

	Asphalt Surface[2]		Gravelled Surface			
Description	Maintenance Cost	Maintenance Per Mile	Regravelling	General Maintenance Costs	Total	Maintenance Per Mile
A. Highway 57 - 26 miles of asphalt surface compared to 26 miles of gravel	$3,322.55	$127.79	$31,586.16	$11,459.31	$43,045.47	$1,655.60
B. Highway 27 - 27 miles of asphalt surface compared to 29 miles of gravel	$1,234.25	$ 45.71	$ 5,230.12	$10,842.21	$16,072.33	$ 554.24
C. Highway 11 - 51 miles of asphalt surface	$8,309.02	$162.92				
Highway 12 - 46 miles of gravel			-	$16,540.75	$16,540.75	$ 359.58

1. Includes surface maintenance only since other costs are common to both paved and gravelled highways.

2. In each case the paved road has a higher traffic volume than the gravelled.

Dr. E. J. Hanson in referring to highways expenditure states:

> 1 "Expenditure on highways, bridges and ferries has tapered off in recent years. The government has considerable control in this area..... It would be unrealistic, however, to assume that there could not be considerable increases in outlays on maintaining an expanding road system, especially in the light of a continuously rising number of automobile registrations."

As well as built in maintenance cost increases, it is likely that, in terms of current dollars, most other costs will increase by 20% during the next eight years. Administration costs will increase with the Motor Vehicles Branch leading the way at the rate of about 6% per year. As was pointed out earlier in the report, there are some seventeen major bridges to be built to replace existing ferries as well as replacements and bridges on new roads. It is unlikely that there will be a cut-back in the bridge appropriations.

At present Alberta's ratio of population to vehicles is 2.5 to 1. With an expected population of more than $1\frac{3}{4}$ million by 1972, it is anticipated that there will be more than 710,000 vehicles registered in the Province at that time. This, as well as other factors such as access to undeveloped areas, indicates that the highways budget will increase in the future. It is estimated that 50 to 60% of the unoccupied arable land in Canada is located in Alberta. As this area of over 13 million acres is settled, the Province will have to provide roads for its occupants.

Some of the traffic problems facing many of the older cities in Eastern Canada and the United States can be averted in Alberta's two

1. E. J. Hanson - Financing Education in Alberta, p. 11, 12.

major centres if projected requirements are given consideration in the near future. These problems include purchase of right-of-way, access to new routes, and interference with established business patterns. In this regard, the City of Edmonton, through the Metropolitan Edmonton Transportation Study, undertook a projection of traffic needs for the City. The report recommends a network of freeways and by-passes to handle Edmonton's traffic requirements for the next twenty years. The estimated cost of the system is 135 million dollars which includes 35 million dollars for the purchase of right-of-way. If the Province shares in this and similar city projects which may be required, Highways capital costs will increase considerably. In this connection, it is noted that the Province of Ontario allotted more than 50% of its 1964 highways budget to construction within its cities.

It is also unlikely that grants to local governments for road construction and maintenance can be reduced, rather the reverse is expected. Presently, 12 million dollars or about 20% of the highways budget is spent in this field. Another area in which expenditure is expected to increase considerably is in the purchase of right-of-way. Land prices have increased rapidly in the last few years and speculation in property where roadways are anticipated is not too uncommon.

III. CONCLUSIONS AND RECOMMENDATIONS

A. General Conclusions

The Committee was favourably impressed with the organization of the Department, and with aspects of the Department's operations

which it viewed. Included were the Testing Laboratory and the Scona Maintenance Shops. The system of cost accounting used by the Department to determine the efficiency of its equipment is commendable.

Members are concerned over the requirement that funds appropriated for capital purposes and not spent during the fiscal year must be reappropriated in the next year's budget. It is suggested that programming and financing over more than a one year period could assist greatly in the efficiency of work where capital construction is involved. If financing were on a longer term basis, the Department could purchase right-of-way, acquire materials to be used in the project, and move utilities well in advance of construction.

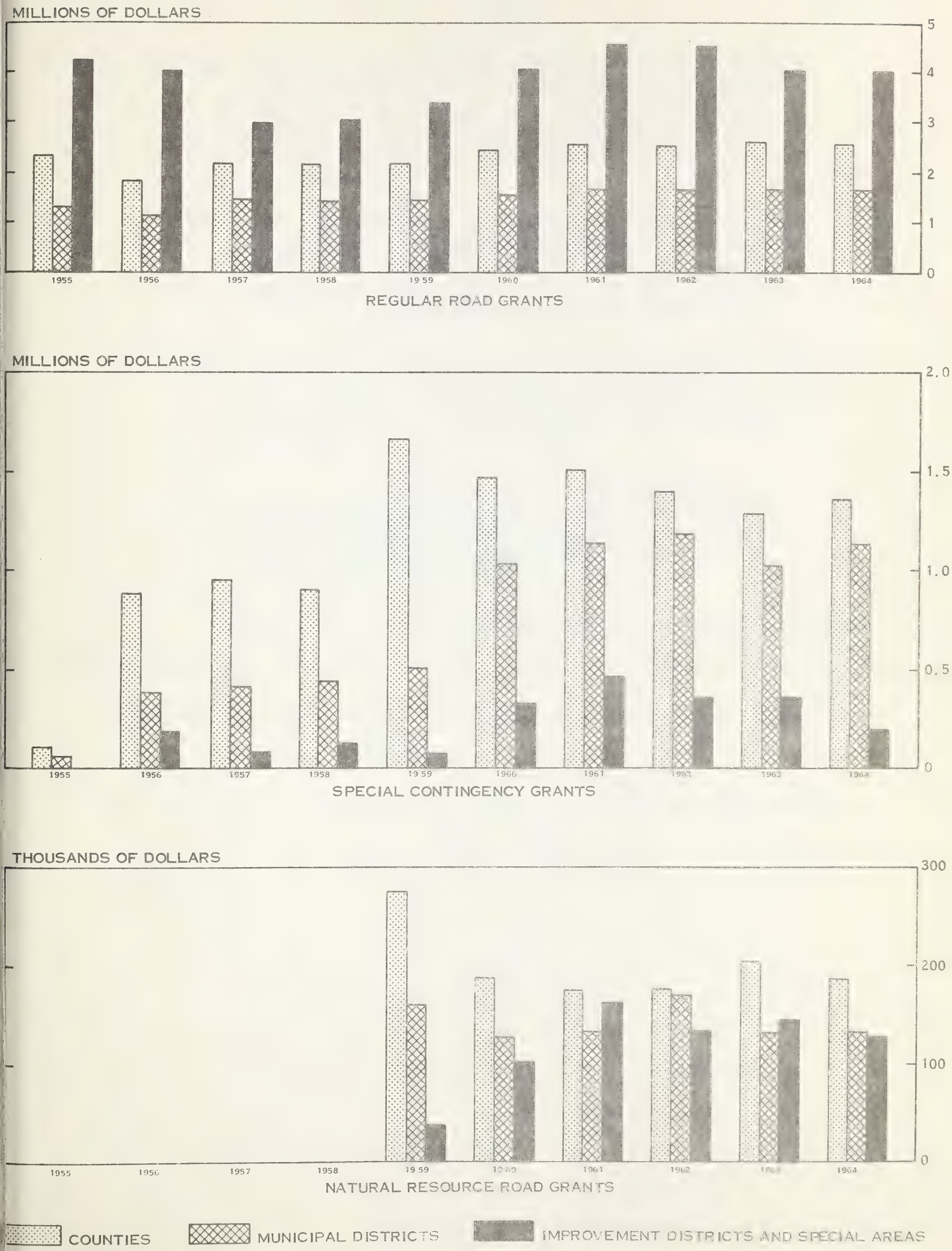
From a study of the graphs included on Table 4, the Committee concluded that Improvement Districts are receiving a large share of the grants for road building purposes. It is felt that some of the roads in Improvement Districts could be more appropriately classed as development roads. The present classification of "regular roads" for grant purposes seems to indicate that they are mainly for the benefit of local residents, in which case it would appear that these residents are being better served than many residents of adjacent municipal districts and counties.

B. Recommendations

1. That legislative and administrative procedures be adopted which will better facilitate long-range planning of the highway program.

2. That highway right-of-way be purchased well in advance of construction, possibly through a statutory appropriation.

TABLE 4. COMPARISON OF ANNUAL DEPARTMENT OF HIGHWAYS GRANTS TO COUNTIES, MUNICIPAL DISTRICTS, IMPROVEMENT DISTRICTS AND SPECIAL AREAS



3. (a) That in rural areas throughout the Province district highway planning should be extended by the appointment of a body similar to the District Highway Board in order to insure the development of a co-ordinated network of district highways across municipal boundaries.

   (b) That the Department of Highways in consultation and co-operation with urban municipalities give further study to the need for building roads and structures through and around urban areas, and the financial problem of meeting the cost of such construction.

4. (a) That the Department of Highways carefully review the scale of road grants for Improvement Districts. Where it is found that Improvement District roads are at a higher standard than in adjacent municipalities, the grants should be adjusted.

   (b) That in newly opened areas, road grants should be maintained or accelerated. Roads in these areas could more accurately be termed development roads and the grants designated as such rather than as regular road grants.

Recommendations in several areas affecting revenue and local government have been deferred until the overall revenue picture has been viewed and the Committee has met further with representatives of local levels of government. The matter of a national highway policy was considered by the Committee and it was decided that a recommendation concerning this matter would also be deferred until further studies have been made.

PUBLIC EXPENDITURE AND REVENUE STUDY COMMITTEE

DEPARTMENTAL SURVEYS

DEPARTMENT OF PUBLIC HEALTH

TABLE OF CONTENTS

I. PREAMBLE - GROWTH OF THE DEPARTMENT OF PUBLIC HEALTH

A. Provincial Board of Health
B. Expansion of Health Services to Meet Needs
C. Medical Services
D. Local Health Services
E. Hospital Services

1. Active Treatment Hospitals
2. Auxiliary Hospitals
3. Federal Hospitals

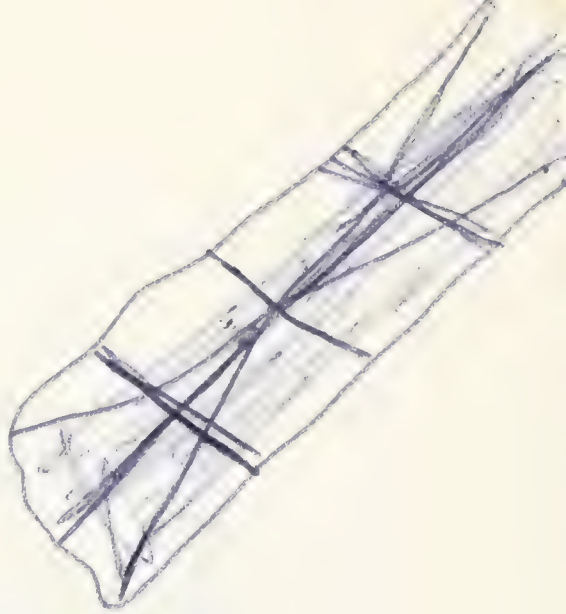
F. Nursing Homes

II. FINDINGS OF THE COMMITTEE

A. Departmental Organization
B. Alberta Hospitalization Benefits Plan
C. Alberta Medical Plan
D. Health Units
E. Institutions

III. CONCLUSIONS AND RECOMMENDATIONS

A. General Conclusions
B. Recommendations



I. PREAMBLE - GROWTH OF THE DEPARTMENT OF PUBLIC HEALTH

A. Provincial Board of Health

The Provincial Board of Health was originally established to deal with all health matters, particularly those of an emergent nature. As the Province developed, additional duties were assigned to the Board until it became necessary to enact legislation concerning such matters as hospitalization, local health units, the nursing profession and medical services.

The Board now functions as a regulatory body dealing in such areas as sanitary engineering, health inspections, and the prevention of communicable diseases. It can also review the activities of local boards of health to ensure that their duties are carried out in the interest of public health.

B. Expansion of Health Services to Meet Needs

The Government has stated that its long-term health policy is to bring within the financial reach of all Albertans an adequate standard of hospitalization and public health services.

With the growth in population and the establishment of urban communities, health problems increased. Consequently, through the years, special services have been instituted to prevent epidemics and improve general health conditions. Many services have also been instituted to aid directly those who have contracted certain diseases requiring extended costly treatment.

Some of the major services undertaken to cope with specific diseases have been:

1. A tuberculosis control program with no direct charge to the patient

2. Mental health services providing guidance clinics and institutional care

3. The cancer treatment centres

4. Arthritis services

5. Cerebral palsy clinics

Other agencies such as the Provincial Laboratories and the Social Hygiene Branch have been established to carry out examinations and provide clinical facilities.

The trend toward urbanization and industrialization has necessitated the establishment of the Sanitation Engineering and Industrial Health Branches to deal with such matters as sanitation inspection, plumbing inspection, municipal engineering, air and water pollution, and the health of industrial employees.

C. Medical Services

The programs administered by the Director of Medical Services now cover a wide range of services including medical, dental, optical, and chiropractic treatment for individuals receiving social assistance from the Department of Public Welfare. The nursing aide and laboratory and X-ray schools which are also a responsibility of the Medical Services Division were established by the Department of Public Health to provide qualified hospital personnel. Nursing aides are trained in bedside nursing care and the laboratory and X-ray school provides training in the fields of radiology and diagnostic laboratory techniques.

Other programs which have been developed include the diabetic drug program, the rheumatic fever program, the poliomyelitis treatment and home care program, and treatment for the multiple handicapped. Treatment for multiple handicapped children is centred in the forty bed pilot project at the Glenrose Hospital. Plans are now underway to provide a new 100 bed hospital for handicapped children. The hospital will be built in Edmonton and will accommodate children presently cared for at the Edmonton Cerebral Palsy Clinic. A similar unit is also planned for the Calgary area to be built at the Foothills hospital site.

The emergency air ambulance service provides flights for seriously ill patients who must be moved from inaccessible areas to one of the metropolitan hospitals.

The latest arrival to this complex of medical services is the Alberta Medical Plan which is designed to provide prepaid medical care on a voluntary basis.

D. Local Health Services

Local health services are administered under the following three categories:

1. By city health departments, in cities with a population greater than 50,000.

2. In smaller centres and rural areas by 23 autonomous health units. This category includes about 94% of Alberta residents who live outside of Edmonton and Calgary.

3. In some of the more isolated rural communities by 16 municipal nursing services.

Like the Division of Medical Services, the Local Health Services Division has grown to include a wide range of responsibilities,

acting in an advisory capacity to health unit boards on administrative matters and in a consultant capacity to medical officers of health in connection with technical problems.

E. Hospital Services

1. Active Treatment Hospitals

Active treatment hospitals have developed under three categories, namely municipal, provincial, and voluntary, and are primarily designed to provide short term hospitalization. There are presently 107 active treatment hospitals operating in the Province. Two hospitals, the University and the Glenrose are provincial general hospitals while 34 come under the voluntary category and the remaining 71 are municipal. The rated capacity of these hospitals is 8,631 beds plus 1,575 bassinets representing 5.9 active treatment beds per 1,000 population.

The following table indicates the number of hospital beds available to Alberta residents as compared to the national average.

Type of Hospital	Alberta	Canada
Active Treatment (beds per 1,000)	5.9	5.1
Auxiliary (beds per 1,000)	1.4	-
	7.3	5.1

It is interesting to note that hospitals vary in size from 7 to 1,007 beds. However, the Department's policy concerning the construction of new hospitals is that they must be at least

a 30 bed unit. In addition to the 8,631 beds presently in operation, new facilities planned to come into use in 1965 will result in a net increase of 251 beds.

2. Auxiliary Hospitals

The auxiliary or chronic hospital program is a relatively new undertaking which was implemented in 1959. The purpose of the auxiliary hospital is to provide care for persons requiring hospital treatment of a less intensive nature than is provided in active treatment hospitals.

There are presently 24 auxiliary hospitals in operation providing a total of 2,017 beds or 1.4 per 1,000 population. Six of these hospitals are under private ownership and the remaining 18 are municipally owned. It is expected that an additional 100 auxiliary beds will become available under this program during 1965.

3. Federal Hospitals

There are five federal government hospitals with a total capacity of 996 beds operating in Alberta. These hospitals are reimbursed by the provincial Hospitals Division for services provided to in-patients eligible for insured services under the Alberta Hospitalization Benefits Plan.

In summary, the Province of Alberta has a total of 131 active treatment and auxiliary hospitals[1] with a rated bed capacity of 10,648, being 7.3 beds per 1,000 population. By comparison, in 1947 the

1. Does not include mental hospitals and tuberculosis sanitoria.

Province had 102 hospitals with a capacity of 6,053 beds providing 6.3 beds per 1,000 population.

F. Nursing Homes

In 1964 the Government instituted the Alberta Nursing Home Plan which is operated under the supervision of the Hospitals Division. The Plan provides for domiciliary and personal care for senior citizens who are not well enough to be accommodated in senior citizens homes and yet do not require hospital treatment. However, accommodation is not limited to senior citizens only, but is extended to any individual requiring personal care.

Auxiliary Hospital and Nursing Home Districts have been authorized under the Nursing Home Act to develop a nursing home program for their area. On the approval of the district board, the Department of Health can enter into a contract with the operator of a nursing home for the provision of nursing home care for eligible patients. Eligibility for care is determined by an assessment committee, and the Department will contribute up to $4.50 per patient day for each approved patient.

II. FINDINGS OF THE COMMITTEE

The pattern of meeting with senior department administrators which was established in the first two departmental surveys was followed in the Department of Public Health. The co-operation afforded by these men was of real assistance to the Committee. The Committee concerned itself with the organization and major functions of the Department, and the expansion of

provincial health services since the establishment of the Provincial Board of Health in 1907.

Submissions were received from the Associated Hospitals of Alberta, the Alberta College of Physicians and Surgeons, the Alberta Dental Association, the Alberta Chiropractic Association, and the Alberta Optemetric Association. The briefs presented and opinions expressed by the representatives of these organizations were also of great help to the Committee.

A. Departmental Organization

The organizational chart of the Department of Public Health as shown in Table 5 denotes fourteen separate branches, each of which is generally responsible for a certain area of health services. The Provincial Board of Health which is a regulatory body is a three member board including the Deputy Minister of Health, the Provincial Bacteriologist, and the Provincial Sanitary Engineer.

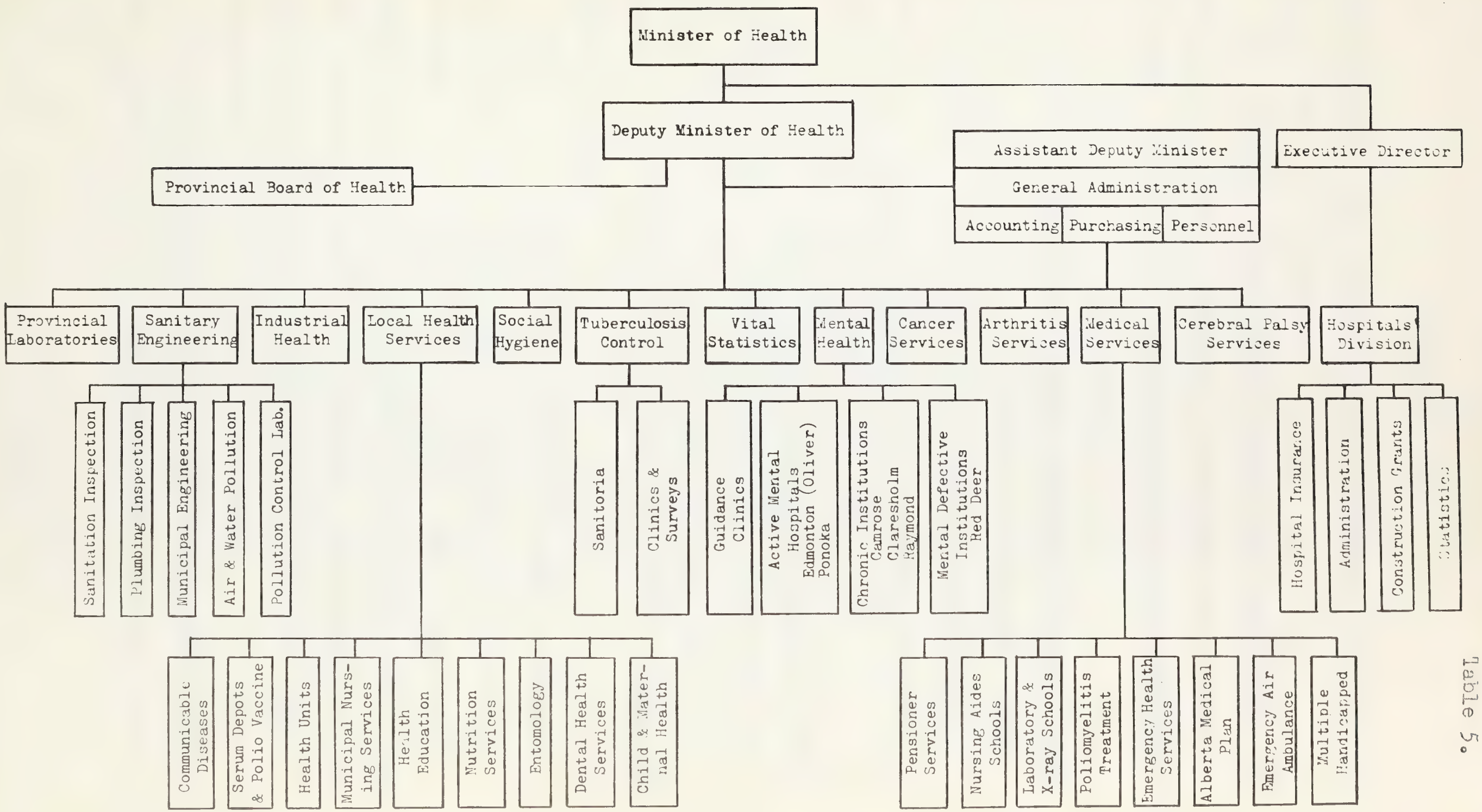
The Hospitals Division is an autonomous branch of the Department of Public Health with the Director having the same responsibilities as a deputy minister in carrying out the functions of the Division and reporting directly to the Minister of Health. This type of organization is in contrast to that of other provinces where hospitalization is administered by a separate department or commission.

The Hospitals Division is responsible for the administration of the Alberta Hospitalization Benefits Plan. Some of the duties include the approval of location and construction of hospitals, the maintenance of adequate standards of hospital service, the provision of consultant services to local hospital administrations, and the payment of hospitals

Table 5

DEPARTMENT OF PUBLIC HEALTH

ORGANIZATIONAL CHART



for insured services. The nursing home care program also comes under the purview of the Hospitals Division.

The Provincial Laboratories at Edmonton and Calgary carry out examinations in the fields of pathology, bacteriology, and virology. The contribution of the laboratories to diagnostic medicine and public health is of vital importance to the public.

The Sanitary Engineering Division performs a policing service having to do with plumbing inspections outside municipalities having their own inspectors. Other duties involve the checking of swimming pool plans, short courses for swimming pool, sewer and water system operators, and control of air and water pollution.

The Industrial Health Division has been established to define health problems as they relate to industrial workers on the job. The work of the division is of a trouble-shooting nature, and one of the major projects to be undertaken is a survey of the effects of occupation on the health of workers.

The Division of Local Health Services is composed of nine branches as shown on the chart. Each is responsible for an area of service having to do with local health problems. Each branch has its own director with the director of the division looking after the Health Units and Communicable Disease Control Branches. The services provided by the Division are essentially of a preventive character and result in the expenditure of over 2 million dollars annually.

The division of Social Hygiene is organized to provide diagnostic and treatment services in the detection and control of venereal

disease. There are clinics operating in Alberta's three largest cities and a mobile clinic operating in the remote areas of the Province. The city clinics are directed by part time physician specialists while the mobile clinic is supervised by a male nurse. Routine blood tests have proved to be the most productive method of detecting social diseases. The mandatory premarital examination, hospital admission tests, and possible contacts of diagnosed cases are the main means of discovering those infected.

The tuberculosis control program is aimed at detecting and treating every case of tuberculosis whether it is active or inactive. The cost of operation of the program, which includes the Aberhart and Baker Memorial Sanitoria, is about 2½ million dollars annually. The director of the Tuberculosis Control Division indicated to the Committee that costs will not likely rise in this field since the number of days required for treatment of a case has decreased with the use of modern drugs. He emphasized, however, that detection and out-patient services will increase if the incidence of the disease is to be reduced.

The tuberculosis sanitoria are organized to provide education for children who are confined for treatment, and the Occupational Therapy Department aids in both treatment and educational programs.

The Division of Vital Statistics is organized to record and reproduce statements to do with population, births, marriages, divorce, and deaths.

The Division of Mental Health provides through its organization both treatment and preventive programs. The treatment aspect is carried

out through the mental hospitals at Ponoka and Oliver along with three auxiliary hospitals at Camrose, Claresholm and Raymond. Full time guidance clinics at Edmonton, Calgary, Lethbridge, and Red Deer along with branch clinics at Grande Prairie and Medicine Hat are operated to provide preventive care. Also provided in the organization are the Provincial Training School for mentally defective children and the Deerhome Institute for mentally retarded adults.

The Division of Cancer Services work is centred in the two main clinics at Edmonton and Calgary where radiotherapy is administered. Diagnostic services are provided at the Lethbridge and Medicine Hat Clinics. It is likely that costs will rise in this Division when additional services are added with the construction of a new 75 bed clinic in Edmonton. The cost of the operation is now just under the $1\frac{1}{2}$ million dollar mark.

The Division of Arthritis Services is relatively small with clinics at Edmonton and Calgary. Patients suffering from rheumatoid arthritis are accepted for treatment up to twenty-five years of age. It is possible that this service will be turned over to a private foundation.

The Medical Services Division with its 8 branches is responsible for all medical services apart from tuberculosis, cancer, and mental health. The Cerebral Palsy Service Division indicated on the organizational chart will also come under the Medical Services Division when the new hospital for handicapped children is opened. The Alberta Medical Plan, which will be dealt with separately in the Committee's

findings, is a major responsibility of the Division with the expenditure for the Plan expected to approach the 3 million dollar mark in the next year of operation.

The General Administration Division is responsible for accounting, purchasing and the management of 3,800 positions involved in the administration of the Department of Public Health. With the exception of the Hospitals Division, which we mentioned earlier in the report, the Division directors report to the Deputy Minister on medical matters and deal with the Assistant Deputy on administrative matters.

B. Alberta Hospitalization Benefits Plan

The Committee is presently making a very careful analysis of this plan and has under consideration the following proposed recommendations: That the present system of financing hospitalization under the Alberta Hospitalization Benefits Plan be revised as follows:

1. Determine annually a scale of payments to remain constant during the year for various classes of hospitals based on a combination of factors such as rated bed capacity, utilization, debenture repayments and administration costs.

2. Discontinue the provincial four mill requisition on the equalized assessment of all municipalities and permit hospital districts to requisition their municipalities to meet any portion of their costs not covered by payments from the Hospitals Division.

3. In consultation with the Associated Hospitals of Alberta develop clear cut procedures to control the construction of new hospital facilities and the purchase of large items of equipment.

4. Permit hospitals to purchase standard furnishings and minor items of equipment as a matter of local policy and discretion.

5. Revise the present system of co-insurance charges to the patient to provide an admission charge of $10.00 and a daily rate of not less than $2.50.

6. Introduce and develop out-patient services at no direct charge to the patient.

It should be emphasized that the Committee has not as yet concluded its study of the Alberta Hospitalization Benefits Plan and that the above mentioned list of proposed recommendations is tentative and intended only to serve as the basis for further study of various aspects of the Plan.

Other topics included in the outline shown in the Table of Contents[1] not covered in this interim report will be dealt with in the final report.

1. See page 93.

PUBLIC EXPENDITURE AND REVENUE STUDY COMMITTEE

FURTHER STUDIES

Last month the Committee commenced a survey of the Department of Education but this study has not advanced to the point where it is possible to include any findings and recommendations in this interim report.

During the ensuing year the Committee plans to organize its work in the following order:

1. Complete the surveys of the Departments of Health and Education already begun.

2. Make a survey of the Department of Municipal Affairs and then embark on a study of the fiscal relationships between the provincial and local levels of Government.

3. As time allows make surveys of the Department of Agriculture, and a major revenue producing Department such as the Department of Mines and Minerals.

4. Review the whole structure of provincial expenditures and revenues and prepare a series of recommendations in keeping with the terms of reference adopted by the Committee.

5. Submit a final report in February, 1966.

Before completing its work the Committee will endeavor to submit findings and recommendations to cover as fully as possible the following set of questions which the Committee has prepared as a guide for its further studies and deliberations:

1. What services should the Provincial Government
   - (a) eliminate?
   - (b) reduce?
   - (c) expand?
   - (d) continue on the present basis?

2. What capital works programs should the Provincial Government
   (a) discontinue?
   (b) reduce?
   (c) expand?
   (d) continue on the present basis?

3. What grants now paid to various branches of local government should the Province
   (a) discontinue?
   (b) reduce?
   (c) expand?
   (d) continue on the present basis?

4. What changes, if any, should be made in
   (a) the use of the property tax and in exemptions from the property tax?
   (b) the present program of obtaining revenue from the development of natural resources?
   (c) direct charges to the individual for services provided by the Government?
   (d) other parts of the whole revenue structure of the Province?

5. To what extent, if any, should the Provincial Government provide financial assistance to the private sector of the economy?

6. What changes, if any, should be made in the system of budgeting and accounting by the Provincial Government?

7. What changes, if any, should be made in the organization of the Civil Service of the Province?

8. What changes, if any, should be made in
   (a) the responsibilities and functions delegated to local governments?
   (b) the sources of revenue available to local governments?
   (c) the operations of the Municipal Financing Corporation?

-0000oo-

420

LEGISLATURE LIBRARY
NOV 17 1975
EDMONTON

CA2ALZ 3
B6R25

LEGISLATURE LIBRARY
EDMONTON, ALBERTA